From: Will Goodwin
To: Conor Roberts; carolyn steele
Cc: Catherine Etheredge
Subject: RE: Bloomberg News inquiry on Metlifecare
Date: Wednesday, 15 April 2020 11:36:06 am

Hey Conor – agree we should not say anything from NZ Super.

Carolyn – as discussed, over to you action at your end if MET chooses

Cheers

From: Conor Roberts <[redacted]>
Sent: Wednesday, 15 April 2020 9:44 AM
To: Will Goodwin <[redacted]>
Cc: Catherine Etheredge <[redacted]>
Subject: FW: Bloomberg News inquiry on Metlifecare

Hi Will

We've had an enquiry from Bloomberg about MET

Who did the company go with for external PR support that I can forward him on to?

I assume we don't want to say anything about the matter at this stage?

C

From: Harry Brumpton (BLOOMBERG/ NEWSROOM:) <hbrumpton@bloomberg.net>
Sent: Tuesday, 14 April 2020 6:57 PM
To: Conor Roberts <[redacted]>
Subject: Bloomberg News inquiry on Metlifecare

Hi Conor,
My colleague here at Bloomberg Matt Burgess passed your details along to me.
I'm a reporter covering deals here for the region out of Sydney and I'm working on a story at the moment that seemed worth touching base on.
NZ Super is a big shareholder in Metlifecare and I'm looking at a number of issues around the news following on from the company's withdrawn buyout agreement with private equity firm EQT.
I have a few ideas for coverage of this and thought it might be worth going over the situation with your and your team if they are interested.
Could we catch up tomorrow?

Harry Brumpton
Journalist - Deals
Bloomberg News
Office: +61 2 8669 7020 Mobile: +61 421 170 363
Twitter @harrybrumpton
Stories https://bloom.bg/2pPDlgK

From: carolyn steele
To: Will Goodwin; [redacted]
Subject: FYI
Date: Friday, 3 July 2020 6:07:24 pm
Attachments: Letter to Mr Kim Ellis 030720.pdf

Alert: External Email. If unknown sender or email address do not click links/attachments and never give out your username or password.

Carolyn
[redacted]

Page redacted

Metlifecare shareholders back Board action to enforce SIA

As investors representing beneficial ownership of [x] per cent of Metlifecare's issued shares, we strongly support the actions taken by the Board to compel Asia Pacific Village Group and EQT to fulfil their obligations under the Scheme Implementation Agreement (SIA).

While we are disappointed this matter will have to be determined in court, we believe the Board of Metlifecare was left with no choice but to take this action to protect the interests of the company and its shareholders.

We can confirm that it is our intention to vote in favour of the scheme plan if it is put to shareholders.

We hope this matter can be resolved quickly and equitably for the benefit of Metlifecare and its shareholders.

[x] May 2020

Metlifecare shareholders back Board action to enforce SIA

As investors currently representing beneficial or economic ownership of more than [x] per cent of Metlifecare's issued shares, we strongly support the actions taken by the Board of Metlifecare to compel Asia Pacific Village Group Limited and the EQT Infrastructure IV funds to fulfil their obligations under the Scheme Implementation Agreement (SIA) and Equity Commitment Letter.

While we are disappointed this matter will have to be determined in court, we believe the Board of Metlifecare was left with no choice but to take this action to protect the interests of the company and its shareholders.

We each confirm that it is our current intention[1] to vote in favour of the scheme plan if it is put to Metlifecare shareholders.

We hope this matter can be resolved quickly and equitably for the benefit of Metlifecare and its shareholders.

[name of supporting shareholder]

[name of supporting shareholder]

[name of supporting shareholder]

[name of supporting shareholder]

[name of supporting shareholder]

1 As such, we each have the right to change our intentions in the future, or to transfer our shares or other economic interest in Metlifecare shares prior to the vote.

From: carolyn steele
To: Will Goodwin; [redacted]; Cristina Billett
Subject: Shareholders draft statement for mid next week
Date: Saturday, 16 May 2020 3:25:32 pm
Attachments: MET - shareholders statement.docx

Alert: External Email. If unknown sender or email address do not click links/attachments and never give out your username or password.

Hi Will
Just a heads up to expect [redacted] to call you. Some MET shareholders are considering issuing a statement in support of MET scheme - see attached - targeting release mid next week.
They understandably think that it would be helpful if shareholders like Nz super and acc joined them.
[redacted]
Happy to discuss anytime, thought it best Sam discusses as he has been talking to other funds directly.
Carolyn
[redacted]

From: [redacted]
To: carolyn steele; Will Goodwin
Cc: Cristina Billett
Subject: RE: Briefing with MET
Date: Thursday, 7 May 2020 12:00:09 pm

Hi Carolyn,

5pm next Tuesday works for us. I'll give you a call this afternoon re: NDA just to ensure we're aligned on what we would be able to agree to.

Regards,
[redacted]

From: carolyn steele <[redacted]>
Sent: Wednesday, 6 May 2020 6:08 PM
To: [redacted] <[redacted]>; Will Goodwin <[redacted]>
Subject: Briefing with MET

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Hi [redacted] and Will
[redacted]
Kind regards
Carolyn

Get Outlook for iOS

From: carolyn steele
To: Will Goodwin; [redacted]
Subject: Fwd: Media
Date: Tuesday, 13 October 2020 10:26:57 am
Attachments: image864794.png
image306723.png
image350524.png
image991646.png
image357125.jpg

Alert: External Email. If unknown sender or email address do not click links/attachments and never give out your username or password.

FYI

Carolyn
[redacted]

From: Clive Mathieson <clive@catoandclive.com>
Sent: Tuesday, October 13, 2020 10:20 AM
To: Kim Ellis; Mark Binns; carolyn steele; Roger Wallis; [redacted]; Glen Sowry; Richard Thomson
Subject: Re: Media

BusinessDesk
JENNY RUTH: The curious case of the abstaining and absent Carolyn Steele
There's a reason Metlifecare director Carolyn Steele was paid $92,500 in the year ended June: she, along with the rest of the board, was supposed to direct.
The law spells out the minimum requirements which include that she "must act in good faith and in what the director believes to be the best interests of the company" and that she "must exercise the care, diligence and skill that a reasonable director would exercise in the same circumstances."
The Institute of Directors has plenty of advice on what directors should do.
"Directors set the vision and long-term goals of the organisation. This includes the strategy to achieve that vision, as well as the monitoring of the strategy implementation," its website says.
Further, it says: "A good board will try to debate an issue from every angle before coming to a decision. A director should be prepared, informed, and ready to debate and think about the strategic future."
None of this even remotely suggests that these rules don't apply when a director represents a major shareholder.
But there are times when a director has a conflict of interest with the course their company might take, such as if the company wished to buy an asset from a director, or interests associated with that director.
Handling conflicts
In such a case, that director should exclude themselves from not only the decision-making, but also all board discussion of the pros and cons.
It was on the grounds of such a conflict of interest that Steele abstained from providing a recommendation to shareholders on Sweden-based EQT's second $6 per share takeover offer – all Metlifecare's directors, including Steele, had recommended the earlier $7 per share offer.
The explanation in the second scheme booklet of Steele's position was that "she has an

association with NZ Super Fund (as she previously worked as a portfolio manager at NZ Super Fund and had been appointed as NZ Super Fund's representative on the board.)"
Steele was otherwise engaged so she didn't attend the meeting to vote on EQT's second offer and so was unable to answer a shareholder's question about her position. Steele was also unavailable to be interviewed by BusinessDesk.
However, Chapman Tripp partner Roger Wallis, who had been advising the board on EQT's offer, spoke on her behalf.
He told the meeting Steele "had a clear conflict of interest" and that she had felt it was "inappropriate" for her to make a recommendation, given that the Super Fund had already made its position known to the board "in unequivocal terms."
Letter to the board
The Super Fund had signed an agreement with EQT that it would support the second offer by voting its 19.8 percent stake in favour of the scheme of arrangement.
The Super Fund had also written to Metlifecare's board informing it of this and urging the board to facilitate a shareholder vote on the matter.
In my view, given the Super Fund had clearly stated its position, logic says that Steele didn't feel she could recommend the second offer, but also felt she couldn't recommend against it either because she was the Super Fund's representative on the board.
I asked Wallis if that was a fair reading of her situation, and he said it wasn't.
With the first offer, EQT had sought a unanimous recommendation in favour from the Metlifecare board but only required that a majority of directors support the second offer, Wallis told BusinessDesk.
Four of the six directors did recommend it while chair Kim Ellis recommended shareholders vote against it.
So did Steele not participate in the board's discussions about the second offer?
"She participated in the discussions but didn't feel it was appropriate" to then make a recommendation, Wallis said.
Legally off the hook
Steele had "no obligation in law" to make a recommendation and "these things are matters of judgement," he said.
"It's up to her to decide whether she feels it's appropriate to make a recommendation .... she was uncomfortable making a decision independent of the major shareholder, the 20 percent shareholder."
The NZ Shareholders' Association, which told its members it would vote any proxies it held against the scheme, said her association with the Super Fund shouldn't have been relevant to her duty to Metlifecare.
"Shareholders have been deprived of knowing how she evaluates the offer, something that is, at the least, far from satisfactory," NZSA said.
As for Steele failing to attend the meeting – and remember, it was a hybrid with many, including BusinessDesk, participating online – she had "a prior commitment that she couldn't break," Wallis said.
That prior commitment had been entered into before the time and date of the Metlifecare meeting was set. "It wasn't easy to schedule a meeting that all of the directors could attend," Wallis said.
Steele was still away when BusinessDesk spoke to Wallis the Wednesday after the meeting, he said, adding that the commitment was unrelated to Metlifecare and that it was school holidays.
Dereliction of duty
All of which has convinced me that my supposition must be correct.

If Steele felt she could have recommended the EQT offer, she would have done so and have been in complete accord with the shareholder she represented, the Super Fund.
That she didn't so recommend can only mean she didn't think the offer was good enough, but didn't want to act against the interests of the Super Fund by recommending that shareholders vote against the EQT offer.
In my opinion, her failure to make a recommendation or to attend the meeting were both a dereliction of her duties as a director, no matter the legality.
One wonders what the shareholders of Green Cross, of which Steele is also a director and which Ellis also chairs, think of her attitude towards Metlifecare.
NZSA backed her re-election to the Green Cross board at that company's AGM back in August but "the NZSA will be looking for greater clarity from Ms Steele in future around her position on any other company of which she is a director," said chief executive Michael Midgley.
Steele is also a director of WEL Networks, Ultrafast Fibre and chairs the Halberg Foundation.

Clive Mathieson
Partner

+61 (02) 8306 4244
0411 888 425
clive@catoandclive.com
catoandclive.com

From: Clive Mathieson <clive@catoandclive.com>
Date: Tuesday, 13 October 2020 at 6:04 am
To: Kim Ellis <kim.ellis@rbe.co.nz>, Mark Binns <mbinns.co@gmail.com>, carolyn steele <[redacted]>, Roger Wallis <Roger.Wallis@chapmantripp.com>, [redacted] <[redacted]@jarden.co.nz>, Glen Sowry <glens@metlifecare.co.nz>, Richard Thomson <richardt@metlifecare.co.nz>
Subject: Media

Stuff.co.nz
Metlifecare shareholder challenges $1.3 billion Swedish takeover 'on principle'

Marta Steeman

The small shareholder fighting the Swedish takeover of retirement village operator Metlifecare for $1.3 billion is big on sharemarket markets experience.

Craig Priscott is the owner of Resil Investments which owns 1000 shares in Metlifecare (MET) and has lodged a notice of objection in the High Court to the "Scheme of Arrangement" which will give effect to the takeover of Metlifecare by Asia Pacific Village Group, owned by Swedish investment organisation EQT Infrastructure.

Priscott has been involved in the capital markets and investing for many years and said Resil was making a principled opposition to the scheme on behalf of Metlifecare shareholders. Almost 15 million shares were voted against the scheme at a virtual special meeting of shareholders, 9.14 per cent of those voting, mostly local shareholders.

Resil claims that shareholders did not receive all the information necessary and material to make a fully informed decision, that the $6 offer price was not reasonable and that bondholders in Metlifecare were prejudiced by the scheme.

The $6 a share offer, made in July, is lower than the first offer of $7 made in late December last year, then withdrawn in April by the Swedish investor, arguing the value of Metlifecare had reduced because of the impact of Covid-19.

Res claimed breaches of the High Court's initial orders and of the Takeovers Code in the information to shareholders set out in the scheme booklet.

There were also deficiencies in the independent adviser's report on the $6 share offer, Resil claimed.

The independent advisers, Calibre Partners, carried out the valuation and report for both the $7 and $6 a share offers but came back with the same valuation range despite key factors driving the value of Metlifecare changing between the offers, the statement claimed.

Both reports put the value of Metlifecare in the $5.80 to $6.90 a share range.

Key changes that would have impacted on Metlifecare's value were the increase in house prices in June and July rather than the decrease forecast, a significant decrease in interest rates, and the increase in the share prices of four comparator retirement village operators by an average 14 per cent, the statement claimed.

Resil commissioned independent advice from Campbell MacPherson, a corporate advisory business with specialist expertise in these matters.

Its advice included that there were subtle but impactful changes to the independent adviser's valuation methodologies between the two reports. Outdated information on house prices was included in the report. The house price forecasts in the report were in most cases from many months earlier and by August 25 had been superseded by more recent forecasts that were significantly more optimistic, the statement claimed.

There were also methodological errors in the valuations, the statement claimed.

CBRE's valuations dated June 30 should have been updated, the statement claimed. Since June 30, house price forecasts had significantly improved, the sales prices of Metlifecare's units were higher than the CBRE valuations, interest rates had dropped dramatically and the share prices of other retirement village operators had risen significantly.

So the CBRE valuations were stale by the time of the scheme booklet, "to such an extent they were misleading," the statement claimed.

There was poor or no disclosure to shareholders around the bigger context in which the $6 share offer was forced on Metlifecare by EQT, the statement claimed. These included uncertainty around Covid-19 and house prices, border closures preventing alternative bidders and the significant presence of hedge funds on the shareholders register who were desperate to sell after the termination of the $7 offer.

Media reports indicated that hedge funds were so desperate to sell "that they sought to place inordinate pressure on the MET directors to conclude a transaction with APVG, at almost any price," the statement claimed.
"Even if $6 was an acceptable price back in early July when the deal was agreed (which Resil disputes) there have been such dramatic changes in MET's key value drivers that this can no longer be the case," the statement claimed.
The Takeovers Panel is considering the objection that Resil has lodged and whether the disclosure to shareholders has met its guidelines. If it does, the panel issues a letter of no objection.
The High Court is entitled to rely on the no-objection statement to approve a scheme. However, the court does not have to approve a scheme because it has been presented with a panel no-objection statement.
The High Court hearing for the scheme is scheduled for Thursday.

The Dominion Post
Shareholder fights overseas takeover
Marta Steeman (page 23)

A small shareholder in large retirement village operator Metlifecare fighting the $1.3 billion overseas takeover of the company is being cheered on by a big shareholder also opposing it.

The retail shareholder has lodged a notice of opposition in the High Court to "a scheme of arrangement" that will give effect to the $1.3b takeover of the village operator by APVG, owned by Swedish investor EQT Infrastructure.

The shareholder has a small parcel of shares in Metlifecare and has made a complaint about disclosure of information to shareholders and the valuation of Metlifecare.

Salt Funds Management director Matthew Goodson said: "I wholeheartedly agree with their intentions."

APVG is offering shareholders $6 a share. It is the second, lower offer from APVG for Metlifecare.

The first, at $7 a share, was terminated in April this year.

At a virtual special meeting last week, 90.7 per cent of the votes cast backed the scheme. However, there was vocal opposition and questions about the valuation of the company.

"But I don't know what precedent there would be, particularly given that the other box has been ticked of an independent report finding the bid being within the fair value range," Goodson said.

An independent report has valued Metlifecare shares between $5.80 and $6.90 with the mid-point $6.36.

Goodson said Salt disagreed with the fair value report. "We thought it was under-priced. Given there's been an independent report unless there is some egregious error that can be pointed to in the independent report that the directors [of Metlifecare] relied on then it would seem that unfortunately the boxes have been ticked."

Metlifecare said it was continuing to prepare for the High Court hearing scheduled for Thursday, at which final orders for the scheme would be sought.

It was considering the notice and would provide further market updates on the scheme process as were appropriate. The deadline for objections to the scheme was last Friday.

Metlifecare owns and operates 25 villages in the North Island, home to about 5500 residents.

APVG's first offer at $7 a share was terminated by APVG in April arguing that Covid-19 had reduced the value of the company.

Metlifecare started legal action against APVG arguing the termination was invalid, but in July APVG came back with the $6 offer.

The second offer split the board.

Metlifecare chairman Kim Ellis rejected it but a majority of other directors recommended that shareholders accept it.

The Takeovers Panel chief executive Andrew Hudson said the notice of opposition involved a complaint about disclosure to shareholders.

The panel had to decide if the disclosure to shareholders met the panel's guidelines. If it did, the panel issued a letter of no objection or vice versa.

The panel regulates New Zealand's takeovers market and enforces its Takeovers Code.

But Hudson said ultimately it was the High Court that had broader jurisdiction that made the final decision on the scheme of arrangement.

The High Court considers several matters, including whether the scheme meets various statutory provisions, that it has been fairly put to shareholders with all the information reasonably needed to vote on it and that it is generally fair and equitable.

Robyn Keriazes

From: Conor Roberts <[redacted]>
Sent: Thursday, 3 September 2020 11:23 am
To: [redacted]; Will Goodwin
Cc: [redacted]; Cristina Billett
Subject: RE: Scheme Meeting Materials - NZX, New Zealand's Exchange

Categories: In eDOCS Sent for filing

How is this:

The Guardians entered into a voting deed on 10 July 2020 under which we agreed to vote in favour of the proposed Scheme of Arrangement at $6 per share, unless a higher offer is put on the table.

The Guardians invests in a purely commercially manner in order to maximise returns and support the superannuation payments for future generations of New Zealanders. We assess investment opportunities based on what we believe delivers the best long-term risk-adjusted return to the Fund.

The Scheme Consideration of NZ$6.00 per Metlifecare Share represents a 14.9% premium to the last closing price of $5.22 per share on 3 July 2020 before announcement of APVG's Alternative Proposal on 6 July 2020, and a 18.1% premium to the share price of $5.08 per share on 19 November 2019 prior to announcement of receipt of the unsolicited non-binding preliminary expression of interest to acquire Metlifecare.

The Guardians acquired 17% of Metlifecare in November 2013 at $3.53 per share (taking our holding to 19.9% when combined with our existing shareholding).

We agree with the majority of directors on the board who say, "While a difficult and finely balanced decision, the members of the Director Majority consider that the Scheme Consideration of NZ$6.00 per share, when weighed against the uncertainty, disruption and potential risks associated with the SIA Litigation and inherent in continuing to operate Metlifecare's business in a COVID-19 environment over a significant period of time, and the indicated support of a majority of Shareholders canvassed, is reasonable in all of the circumstances.

The scheme will be put to a shareholder vote and requires over 50% of all shares outstanding plus at least 75% of votes on the day to approve the scheme. It is also subject to court and Overseas Investment Office approvals.

From: [redacted] <[redacted]>
Sent: Thursday, 3 September 2020 11:10 AM
To: Will Goodwin <[redacted]>; Conor Roberts <[redacted]>
Cc: [redacted] <[redacted]>; Cristina Billett <[redacted]>
Subject: RE: Scheme Meeting Materials - NZX, New Zealand's Exchange

I'd suggest removing this comment as it doesn't sound like we are overly sophisticated?

~~We note the current proposal values the company higher than what the stock was trading at immediately prior to the offer being made.~~

I also think this using some of the below quote from the directors is better than the current quote in 4th paragraph? I like the "rational shareholder" comment….

"

."

From: Will Goodwin <[redacted]>
Sent: Thursday, 3 September 2020 11:04 AM
To: Conor Roberts <[redacted]>
Cc: [redacted] <[redacted]>; [redacted] <[redacted]>; Cristina Billett <[redacted]>
Subject: RE: Scheme Meeting Materials - NZX, New Zealand's Exchange

Hey Conor – all good, just roll out the standard lines

From: Conor Roberts <[redacted]>
Sent: Thursday, 3 September 2020 10:55 am
To: Will Goodwin <[redacted]>
Cc: [redacted] <[redacted]>; [redacted] <[redacted]>; Cristina Billett <[redacted]>
Subject: RE: Scheme Meeting Materials - NZX, New Zealand's Exchange

Hello,

Radio NZ business has called to ask for a response to this. I assume we will get further requests for comment from other media.

Are you ok with the following (please let me know ASAP – they want it for the midday news) – it is a simple reordering of the comment we provided to Jenny Ruth, plus a line from the Notice of Meeting and Scheme Booklet:

The Guardians entered into a voting deed on 10 July 2020 under which we agreed to vote in favour of the proposed Scheme of Arrangement at $6 per share, unless a higher offer is put on the table.

The Guardians invests in a purely commercially manner in order to maximise returns and support the superannuation payments for future generations of New Zealanders. We assess investment opportunities based on what we believe delivers the best long-term risk-adjusted return to the Fund.

We note the current proposal values the company higher than what the stock was trading at immediately prior to the offer being made.

We agree with the majority of directors on the board who say, "While a difficult and finely balanced decision, the members of the Director Majority consider that the Scheme Consideration of NZ$6.00 per share, when weighed against the uncertainty, disruption and potential risks associated with the SIA Litigation and inherent in continuing to operate Metlifecare's business in a COVID-19 environment over a significant period of time, and the indicated support of a majority of Shareholders canvassed, is reasonable in all of the circumstances.

The scheme will be put to a shareholder vote and requires over 50% of all shares outstanding plus at least 75% of votes on the day to approve the scheme. It is also subject to court and Overseas Investment Office approvals.

From: Will Goodwin <[redacted]>
Sent: Thursday, 3 September 2020 10:21 AM
To: Conor Roberts <[redacted]>
Subject: FW: Scheme Meeting Materials - NZX, New Zealand's Exchange

From: [redacted] <[redacted]>
Sent: Thursday, 3 September 2020 8:52 am
To: Will Goodwin <[redacted]>
Cc: [redacted] <[redacted]>
Subject: FW: Scheme Meeting Materials - NZX, New Zealand's Exchange

FYI in case you don't want to go through the booklet. [redacted]

Reasons of dissenting director Kim Ellis

Mr Ellis considers the support from NZ Super Fund for the NZ$6.00/no litigation/no MAC offer from APVG presented on 5 July 2020 and encouragement by NZ Super Fund to expedite signing of a new Scheme Implementation Agreement limited the Board's negotiating position. Investor soundings by the Board's advisers over the subsequent few days indicated support for the revised offer from a majority of Shareholders canvassed. This left the Board with little alternative but to put the new Scheme to Shareholders as announced on 10 July 2020. The unusual 'fait accompli' core terms supported by Metlifecare's largest Shareholder left no opportunity for the Board to use the pending litigation to negotiate the offer price up to the NZ$6.35 valuation midpoint of the earlier Independent Adviser's Report, let alone closer to the original price of NZ$7.00. Mr Ellis considers Metlifecare's strong litigation position is evidenced in the FY20 underlying profit and NTA results announced on 26 August 2020. In Mr Ellis's opinion, those results indicate, as consistently reiterated by the Board, that the 9 METLIFECARE LIMITED | SCHEME BOOKLET FOR SPECIAL MEETING 9 MAC financial thresholds in the Original SIA would not have been triggered by Metlifecare's financial position as at 30 June 2020, notwithstanding APVG's assertions to the contrary. The relevant thresholds also applied at other times, but Mr Ellis' opinion is that they would not have been triggered at those times either. Mr Ellis considers Metlifecare's worst case financial outcome in the event of a loss in court was in the order of $30 million; Mr Ellis considers APVG's worst case loss was likely to be closer to $380 million, based on the differential between the original scheme price of NZ$7.00 and NZ$5.22 on the last trading day before announcement of the new SIA. The reduced offer appeared to be pitched to reflect the decline in share prices of the (domestically-focused) equity asset class of around 15% since the February pre-COVID-19 peak. Metlifecare's FY20 results announcement on 26 August 2020, and accompanying investor presentation posted on the NZX Main Board, should have left the market in no doubt that Metlifecare's strong development momentum and an increasingly positive economic outlook for the retirement village sector as evidenced by a sustained recovery in sector share prices pointed to a valuation considerably above NZ$6.00 (a discount of approximately 15% to net tangible assets). As a director and shareholder, Mr Ellis is disappointed in the fait accompli process and outcome and does not consider the scheme price adequately reflects the underlying value of Metlifecare Shares. Accordingly he is unable to support the Scheme and therefore recommends Shareholders vote against the Scheme. Mr Ellis will be voting the Metlifecare Shares held by his associated family trusts against the Scheme.

From: carolyn steele <[redacted]>
Sent: Thursday, 3 September 2020 8:46 AM
To: [redacted] <[redacted]>; Will Goodwin <[redacted]>
Subject: Re: Scheme Meeting Materials - NZX, New Zealand's Exchange

Alert: External Email. If unknown sender or email address do not click links/attachments and never give out your username or password.

Ps you should be alerted to Kim's explanation of why he voted no as could be sensitive.

Carolyn
[redacted]

From: carolyn steele <[redacted]>
Sent: Thursday, September 3, 2020 8:44:51 AM
To: [redacted] <[redacted]>; Will Goodwin <[redacted]>
Subject: Scheme Meeting Materials - NZX, New Zealand's Exchange

https://www.nzx.com/announcements/359141
Hi [redacted]
Scheme docs posted. Valn range mid point $6.35 and price within range.
Carolyn
[redacted]

From: carolyn steele
To: Will Goodwin; [redacted]
Subject: Re: All done
Date: Tuesday, 20 October 2020 5:25:41 pm

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PS EQT personnel currently quarantining at the holiday inn - so thats positive sign.

Get Outlook for iOS

From: carolyn steele <[redacted]>
Sent: Tuesday, October 20, 2020 5:24:27 PM
To: Will Goodwin <[redacted]>; [redacted] <[redacted]>
Subject: All done

Hi Will and [redacted]
Done - now just need there to be no prescribed occurrences, payment 3 Nov.

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From:	carolyn steele
To:	Will Goodwin; [redacted]
Subject:	Fwd: Street Talk
Date:	Friday, 3 July 2020 8:25:02 am
Attachments:	image675672.png image393673.png image096933.png image197701.png image248909.jpg

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Forwarding in case you haven't seen.

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From: Clive Mathieson <clive@catoandclive.com>
Sent: Thursday, July 2, 2020 11:38 PM
To: Kim Ellis; Roger Wallis; [redacted]; Roger Wallis; carolyn steele
Subject: Street Talk

AFR

Engage or face the chop: hedge funds to Metlifecare chairman

Sarah Thompson, Anthony Macdonald and Tim Boyd

The chairman of dual-listed retirement village owner Metlifecare, Kim Ellis, has until close of business on Friday to re-engage with suitor EQT Infrastructure, or he will face the chop.

Street Talk understands a strong-minded hedge fund wrote to Ellis this week saying that if he didn't go back to EQT by 5pm on Friday, the investor would lodge an official requisition and get shareholders to vote on the chairman's position.

The letter was sent after this column revealed earlier this week that Metlifecare and EQT had continued talks after the latter bailed on its $NZ7 a share – or $NZ1.5 billion ($1.46 billion) – takeover offer in April, because of a material adverse change clause.

Sources said Metlifecare had approached EQT to work out a revised deal but the price was too high; then EQT came back with a subsequent offer, which was considered too low. The hedge funds now want talks to be fired back up.

This week's letter claimed to have the support of a bunch of like-minded investors. All up, the investor reckons that support amounts to more than 25 per cent of Metlifecare's shares on issue.

Metlifecare reckons the investor is overstating its hand – and that only 10 per cent to 15 per cent of its shares are in the hands of hedge funds.

The hedge funds, which are sitting on paper losses after taking the bet that the EQT deal would get away, want Metlifecare to cut a deal with EQT, even if it means agreeing on a takeover at a lower price than was decided earlier this year.

However, Metlifecare seems set on pursuing legal action against EQT to compel it to fulfil the original scheme agreement the pair entered into in December last year.

A Metlifecare spokesman declined to comment.

Clive Mathieson
Partner

+61 (0) 2 8306 4244

0411 888 425
clive@catoandclive.com
catoandclive.com

From: carolyn steele
To: [redacted]; Will Goodwin
Subject: Full Year Result - NZX, New Zealand's Exchange
Date: Wednesday, 26 August 2020 9:26:13 am

Alert: External Email. If unknown sender or email address do not click links/attachments and never give out your username or password.

https://www.nzx.com/announcements/358656

Hi [redacted] and Will
I hope all is well.
MET Year end result attached. Key points you might be interested in include that underlying profit and NTA Mac thresholds have not been met. Underlying profit down 0.4%. EQT would have argued shouldn't have included wage subsidy but MAC test still ok if remove that. As you know prescribed occurrences are also contentious. NTA $7.18 down 3% on restated NTA last year. NTA restatement due to deferred tax adjustment.
Working to a 2 October timetable for vote.
Carolyn

Metlifecare

MEDIA RELEASE
16 March 2020

UPDATE ON PROGRESS WITH METLIFECARE SCHEME IMPLEMENTATION

Metlifecare Limited (NZX: MET, ASX: MEQ) has noted recent stock market volatility and some speculative commentary about its scheme implementation agreement (SIA) with Asia Pacific Village Group Limited (APVG), an entity owned by EQT Infrastructure IV Fund and managed by EQT Fund Management S.à r.l.

Metlifecare confirms the SIA contains limited termination events and does not include any market fall or force majeure termination event.

The SIA "Material Adverse Change" termination event definition has high financial materiality thresholds* and excludes events resulting from changes in general economic conditions, the publicly traded securities market in general or law, as long as such general impacts do not have a materially disproportionate effect on Metlifecare and its subsidiaries.

Contrary to a recent broker commentary, APVG is not entitled to elect to cancel the SIA at its option and pay a reverse break fee. The reverse break fee is only payable if APVG is in material breach of, and Metlifecare terminates, the SIA.

APVG has continued to work co-operatively with Metlifecare to finalise arrangements for the meeting of shareholders to approve the scheme, scheduled for 29 April 2020. Metlifecare also understands APVG's application for approval under the Overseas Investment Act remains on track to be determined prior to the shareholders' meeting.

Metlifecare therefore has no reason to believe that the conditions of the SIA will not be satisfied to enable the scheme to be implemented in late May 2020.

The Metlifecare Board continues to unanimously recommend shareholder approval of the scheme, in the absence of a Superior Proposal (as defined in the SIA).

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

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.

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*In summary the financial thresholds are:

(a) a reduction in Metlifecare's consolidated net tangible assets by at least NZ$100 million; **or**
(b) a 10% or more reduction in consolidated underlying net profit (including non-recurring items and calculated using the same accounting policies and methodologies in place as at 29 December 2019) in any financial year (amount specified for the FY20F year: $88.5 million).

A full copy of the Scheme Implementation Agreement is available to view at:
http://nzx-prod-s7fsd7f98s.s3-website-ap-southeast-2.amazonaws.com/attachments/MET/346608/314714.pdf

From: carolyn steele
To: [redacted]; Will Goodwin
Subject: Release from MET
Date: Monday, 16 March 2020 8:48:47 am
Attachments: 31. Update on Progress with Scheme Implementation.pdf

Alert: External Email. If unknown sender or email address do not click links/attachments and never give out your username or password.

Hi [redacted] and Will
After seeing the Craig's commentary on EQT potentially pulling the deal which seems to have spooked the market Friday, MET has just made this announcement FYI to clarify.
Carolyn
[redacted]

[18] May 2020

Metlifecare shareholders back Board action to enforce SIA

As investors currently representing beneficial or ownership of more than [x] per cent of Metlifecare's issued shares, we strongly support the actions taken by the Board of Metlifecare to compel Asia Pacific Village Group Limited and the EQT Infrastructure IV funds to fulfil their obligations under the Scheme Implementation Agreement (SIA) and Equity Commitment Letter.

While we are disappointed this matter will have to be determined in court, we believe the Board of Metlifecare was left with no choice but to take this action to protect the interests of the company and its shareholders.

We each confirm that it is our current intention[1] to vote in favour of the scheme plan if it is put to Metlifecare shareholders.

We hope this matter can be resolved quickly and equitably for the benefit of Metlifecare and its shareholders.

[name of supporting shareholder]

[name of supporting shareholder]

[name of supporting shareholder]

[name of supporting shareholder]

[name of supporting shareholder]

---

1 As such, we each have the right to change our intentions in the future, or to transfer our shares or other economic interest in Metlifecare shares prior to the vote.

From: carolyn steele
To: Will Goodwin; Cristina Billett; [redacted]
Subject: Fw: Metlifecare
Date: Sunday, 17 May 2020 1:45:31 pm
Attachments: AKLDOC01-#7801943-v1-Tidapa_-_Metlifecare_supporting_statement.DOCX

Alert: External Email. If unknown sender or email address do not click links/attachments and never give out your username or password.

Hi Will/[redacted]

sorry.... another upgrade attached which mentions "current intention" to vote in favour of scheme therefore allowing a right to change intentions or transfer shares.

From: carolyn steele
To: Will Goodwin; [redacted]; Cristina Billett
Subject: Fw: Metlifecare
Date: Sunday, 17 May 2020 1:32:28 pm
Attachments: MET - shareholders statement v2.docx

Alert: External Email. If unknown sender or email address do not click links/attachments and never give out your username or password.

Hi Will

FYI - Updated proposed shareholders statement. Not sure if [redacted] has also provided or called to discuss.

Metlifecare shareholders statement

As investors representing [x] per cent of Metlifecare's issued shares, we strongly support the actions taken by the Board to compel Asia Pacific Village Group and EQT to fulfil their obligations under the Scheme Implementation Agreement (SIA).

While we are disappointed this matter will have to be determined in court, we believe the Board of Metlifecare was left with no choice but to take this action to protect the interests of the company and its shareholders.

We are taking legal advice and are considering whether it is appropriate for us to become parties to the claim filed by Metlifecare or to pursue a different course of action.

In all transactions, the parties must fulfil their contractual obligations. We can see no reason why this circumstance should be any different given the SIA remains valid unless and until a court determines otherwise.

Like the Board of Metlifecare, we are committed to the implementation of the SIA entered by both parties in good faith in December.

We can confirm that it is our intention to vote in favour of the scheme plan if it is put to shareholders.

We hope this matter can be resolved quickly and equitably for the benefit of Metlifecare and its shareholders.

From: carolyn steele
To: [redacted]; Will Goodwin
Subject: Fwd: Metlifecare News
Date: Thursday, 7 May 2020 2:15:45 pm

Alert: External Email. If unknown sender or email address do not click links/attachments and never give out your username or password.

FYI Court Approval for release of scheme docs and scheme meeting not as early as we would have liked, but nevertheless it's progress.

Carolyn
[redacted]

From: Carolyn Steele <[redacted]>
Sent: Thursday, May 7, 2020 2:11 PM
To: [redacted]
Subject: Fwd: Metlifecare News

Carolyn
[redacted]

Begin forwarded message:

> **From:** Metlifecare Limited <news@metlifecare.co.nz>
> **Date:** 7 May 2020 at 2:06:48 PM NZST
> **To:** <[redacted]>
> **Subject: Metlifecare News**
> **Reply-To:** Metlifecare Limited <news@metlifecare.co.nz>

Investor News and Business Updates from Metlifecare Limited, one of New Zealand's leading retirement village and aged care providers.

View this email in your browser

MEDIA RELEASE

7 May 2020

COURT DATE SET TO CONSIDER SCHEME ORDERS

Metlifecare Limited (NZX: MET, ASX: MEQ) is pleased to provide an update on its dispute with Asia Pacific Village Group Limited (**APVG**) about the status of 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.

At a procedural hearing in The High Court of New Zealand today, Justice [redacted] Lang set a court date of 28 May 2020 to consider Metlifecare's application for initial orders to call a meeting of shareholders to vote on the scheme plan contemplated by the SIA.

Justice Lang indicated that before the Court determines the initial orders, Metlifecare should file its separate proceedings challenging APVG's 28 April 2020 notice to terminate the SIA.

Metlifecare confirms that it intends to file these proceedings during next week.

Under the court timetable, Metlifecare now anticipates holding the shareholder meeting to consider the scheme plan in late June or early July, subject to the approval of the Court.

The Metlifecare Board has rejected the notice to terminate as entirely invalid and reiterates its belief, based on legal advice, that there is no lawful basis for APVG to terminate the SIA. Metlifecare remains strongly committed to the successful completion of the SIA in the interests of all shareholders.

Metlifecare has retained the services of Stephen Hunter QC to assist it, alongside top tier New Zealand law firm Chapman Tripp.

Metlifecare shareholders do not need to take any action at this time.

This announcement is authorised for release to the market by the Board of Metlifecare Limited.
To view the full announcement click here

Our mailing address is:
Metlifecare Limited
Level 4, 20 Kent Street
Newmarket, Auckland 1023
New Zealand

Metlifecare

MEDIA RELEASE

20 APRIL 2020

METLIFECARE – MARKET UPDATE

Metlifecare Limited (NZX: MET, ASX: MEQ) is pleased to provide a further market update on current trading conditions and the Scheme Implementation Agreement (**SIA**) entered with Asia Pacific Village Group Limited (**APVG**) following Metlifecare's announcement on 8 April 2020 that it had received notice of APVG's intention to terminate the SIA. APVG is an entity owned by EQT Infrastructure IV fund and managed by EQT Fund Management S.à.r.l.

Key points

- The Metlifecare Board has received legal advice and reiterates its belief that there is no lawful basis for APVG to terminate the SIA and that the assertions made by APVG are without substance
- Specifically, the Board does not believe the triggers under the "Material Adverse Change" (**MAC**) clause in the SIA have been, or are reasonably likely to be, triggered
- Further, the Board has legal advice that the MAC clause does not apply, for reasons including:
  - Any impact on Metlifecare has been as a direct result of the change in general economic conditions caused by the New Zealand Government's mandated Level 4 lockdown (the **lockdown**) restrictions put in place on 25 March 2020;
  - Restrictions that have affected the operations of Metlifecare constitute a change in law[i]; and
  - Any impact has not had a disproportionate effect on Metlifecare.
- The Board is in the process of appointing a QC to assist Metlifecare
- Metlifecare remains strongly committed to the successful completion of the SIA in the interests of all shareholders and remains on track to dispatch the scheme materials in late April.

Current trading

Metlifecare is currently operating under the New Zealand Government's stringent Level 4 lockdown restrictions. These restrictions came into effect at 11.59pm on Wednesday 25 March 2020. At the time of this market update, the lockdown is to remain in place until 11.59pm on Tuesday 22 April 2020, with the NZ Government later today expected to announce the timing of a move to the recently announced Level 3 lockdown restrictions.

As an operator of retirement villages and aged care homes, Metlifecare, like its sector peers, is an "essential services" provider, which means it is able to continue operating its villages and care homes across the North Island providing core services to residents. Metlifecare notes that current village and care home occupancy levels are both at 97 per cent.

Metlifecare is continuing to talk with prospective residents, however, under the lockdown Metlifecare, like its sector peers, is restricted from showing prospective residents around its villages. As noted in previous releases, several Occupation Right Agreement settlements were brought forward at the request of incoming residents to allow them to move into their new homes ahead of the lockdown being enacted. As expected, as a result of the current government-mandated restrictions, settlements are temporarily delayed.

In line with New Zealand Government's lockdown requirements, Metlifecare and its development partners have also temporarily paused all development activity.

Metlifecare reaffirms that it has the lowest gearing and leverage levels among the NZX50-listed retirement sector with significant debt headroom. As such, Metlifecare is in a strong financial position and does not intend to raise equity capital.

Scheme Update

The Board of Metlifecare is preparing a response to APVG's intention to terminate the SIA, to be provided to APVG and EQT later this week. The Board has taken legal advice and believes there is no lawful basis on which APVG can terminate the SIA, and further considers the assertions made by APVG are without substance.

As such, the Board remains focused on acting in the best interests of the Company, taking into account the interest of all shareholders and stakeholders. The Board is strongly committed to seeing the SIA continue through to completion. The Board expects APVG to honour its obligations under the SIA, which it willingly entered into. Metlifecare remains on track to send the scheme materials to shareholders in late April, for a meeting to be held in May 2020, subject to New Zealand Government lockdown restrictions and requirements under the SIA.

Among other matters, the Board of Metlifecare notes the following:

- Since 29 December 2019, it has kept under review the performance and standing of the business against the triggers in the "Material Adverse Change" (**MAC**) clause, as defined on page 55 of the SIA. As at the date of this market update, Metlifecare does not consider the consolidated net tangible asset (**NTA**) or the consolidated underlying net profit metrics have been triggered or are reasonably likely to be triggered for FY20 or future periods if the New Zealand Government's lockdown restrictions had not been in place. Metlifecare notes that under its continuous disclosure obligations, if a breach of these triggers had occurred, or is reasonably likely to occur, Metlifecare would need to update the market accordingly.
- Based on recent scenario analysis, Metlifecare's current consolidated underlying profit projection for FY20 is $83 million to $90 million. Metlifecare's consolidated NTA at 31 December 2019 was $1.49 billion. Metlifecare's NTA will next be reassessed as part of its 30 June 2020 annual result in August-September, taking account of any updates to the external valuations and retained earnings generated since 1 January 2020. The external valuations are based on forecast village cash flows over a long-term, 20-year period that mitigate the impact of short-term unit price movements. Metlifecare provided valuation sensitivity analysis in its 2019 annual report, available at www.metlifecare.co.nz/investor-centre.
- However, regardless of whether the MAC metrics are triggered, the Board of Metlifecare considers that the MAC clause does not apply for reasons including:
  - The impact has clearly been as a direct result of 'changes in general economic conditions' occurring due to the lockdown restrictions put in place by the New Zealand Government, including the likely recession in New Zealand;

- Government-mandated restrictions placed on the operations of Metlifecare and other businesses, including forced closures of operations and restrictions of movement, constitute 'changes in ... law'; and
- The impacts have not had a 'materially disproportionate effect' on Metlifecare, compared to sector peers and the general economy, based on analysis of NZX50-listed peer performance, shareholder returns, balance sheet strength and recent research analysts' earnings revisions. Rather on an objective assessment Metlifecare has performed well, including because it is an essential business and has placed the interests of its residents as a paramount operational consideration.

APVG Assertions

Metlifecare has, at all times, provided the information where reasonably requested by APVG under the SIA. Information also continues to be provided in response to reasonable requests as required under the SIA.

While some changes have occurred to the Metlifecare business recently, these have been as a result of directives from the New Zealand Government as a result of the lockdown restrictions either on Metlifecare itself or its suppliers and partners, or in the ordinary course of business. Metlifecare has sought in good faith feedback from APVG on its response to the lockdown restrictions. No decisions in relation to its response to the lockdown restrictions are considered material to Metlifecare and its subsidiaries taken as a whole.

Metlifecare Chair Kim Ellis said: "The Board of Metlifecare remains fully committed to seeing the SIA continue through to completion on behalf of all shareholders. Based on our advice, we can see no legal or other impediment to APVG and EQT honouring the SIA APVG entered into with Metlifecare in December 2019. However, in the interests of prudence, we are in the process of appointing a QC to assist us as we continue to implement the SIA."

Metlifecare shareholders do not need to take any action at this time.

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.

[i] The changes in law include the COVID-19 Response (Urgent Management Measures) Legislation Act 2020, the Epidemic Preparedness (COVID-19) Notice 2020, the Epidemic Preparedness (Epidemic Management-COVID-19) Notice 2020, the section 70(1)(m) Health Act Order made on 25 March 2020 and the section 70(1)(f) Health Act Order made on 3 April 2020.

From: carolyn steele
To: Will Goodwin; [redacted]
Subject: Fwd: For Info - Attached Release Just Posted on NZX Main Board
Date: Monday, 20 April 2020 8:38:07 am
Attachments: image001.png
image002.png
image003.png
image004.png
image005.png
image006.jpg
55. Market Update - 20 April 2020.pdf

Alert: External Email. If unknown sender or email address do not click links/attachments and never give out your username or password.

FYI - comment on EQT notice

Get Outlook for iOS

From: Andrew Peskett <andrewp@metlifecare.co.nz>
Sent: Monday, April 20, 2020 8:33 AM
To: Exec Team; Roger Wallis; Michael Arthur; MET Board & CEO
Cc: Anna Murdoch; Hannah Walton; Christine Lee; Katharine Armstrong; Camille Warnaar; Emma Haycock
Subject: For Info - Attached Release Just Posted on NZX Main Board

Hi all, attached was released to NZX at 8.31 a.m. – it will be posted on ASX at circa 9.30 a.m. (when their Board opens).
Kind regards
Andrew

Andrew Peskett
GM CORPORATE SERVICES

Metlifecare Level 4, 20 Kent Street, Newmarket, Auckland 1023
PO Box 37463, Parnell, Auckland 1151
metlifecare.co.nz

M 021 747 363

logo

Connect with us:

Robyn Keriazes

From: [redacted] <[redacted]>
Sent: Thursday, 9 April 2020 5:12 pm
To: Will Goodwin
Subject: FW: Economic forecast

Categories: In eDOCS Sent for filing

I'll check with Cristina on this.

I think we run a fine line providing the company with any form of information, can't remember what our Voting Deed said, but I would think communication with MET was somehow restricted.

From: carolyn steele <[redacted]>
Sent: Thursday, 9 April 2020 4:54 PM
To: Will Goodwin <[redacted]>; [redacted] <[redacted]>
Subject: Economic forecast

Alert: External Email. If unknown sender or email address do not click links/attachments and never give out your username or password.

[redacted]

Thanks
Carolyn

Get Outlook for iOS

From: carolyn steele
To: Will Goodwin; [redacted]
Subject: Economic forecast
Date: Thursday, 9 April 2020 4:54:05 pm

Alert: External Email. If unknown sender or email address do not click links/attachments and never give out your username or password.

Hi Will and [redacted]
As we prepare our case against EQT, if you have any central scenarios or economic research you can forward me around NZ house price forecasts - it would be very helpful to add to the mix.
Also I am helping Jardens put together a rebuttal for "Covid19 not having a disproportionate impact" which will likely involve comparing forecasts before and after so any research you may have on this from brokers would be great to forward.
Thanks
Carolyn

Get Outlook for iOS

Metlifecare

MEDIA RELEASE

20 March 2020

FURTHER UPDATE ON PROGRESS WITH METLIFECARE SCHEME IMPLEMENTATION

Scheme Process

Metlifecare Limited (NZX: MET, ASX: MEQ) has continued to make good progress advancing its scheme implementation agreement (SIA) with Asia Pacific Village Group Limited (APVG), an entity owned by EQT Infrastructure IV Fund and managed by EQT Fund Management S.à.r.l.

Metlifecare has formally applied to the Takeovers Panel for a "no objection" statement and is on track to lodge an application around 25 March 2020 for Initial Orders from the High Court to sanction orders convening the scheme meeting scheduled to be held on 29 April 2020.

Metlifecare continues to understand that APVG's application for approval under the Overseas Investment Act remains on track to be determined prior to the shareholders' meeting.

COVID-19

As with other industry participants, Metlifecare has put in place a range of actions we believe will help us protect our communities from the COVID-19 pandemic being experienced globally. We are following the Ministry of Health guidelines for preparedness should a COVID-19 case arise in our facilities and have supplies of personal protection equipment for staff and the ability to isolate residents and, if necessary, lock down care homes.

Metlifecare has not observed any material impact on its retirement village unit sales or admissions to residential aged care homes to date and does not expect the pandemic to have a disproportionate effect on Metlifecare.

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

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.

From: carolyn steele
To: [redacted]; Will Goodwin
Subject: MET release on progress
Date: Friday, 20 March 2020 5:41:37 pm
Attachments: 2044643.pdf

Alert: External Email. If unknown sender or email address do not click links/attachments and never give out your username or password.

Carolyn
[redacted]

From: carolyn steele
To: [redacted]; Will Goodwin
Subject: Re: Release from MET
Date: Monday, 16 March 2020 8:54:26 am

Alert: External Email. If unknown sender or email address do not click links/attachments and never give out your username or password.

Yeah basically Craig's assumes EQT can withdraw by paying break fee. As pointed out in release this is incorrect. The reverse break fee back to MET is only if EQT breach and MET decides to terminate. Happy to chat further on other aspects.

Carolyn
[redacted]

From: [redacted] <[redacted]>
Sent: Monday, March 16, 2020 8:51:05 AM
To: carolyn steele <[redacted]>; Will Goodwin <[redacted]>
Subject: RE: Release from MET
Thanks Carolyn,
[redacted]
Regards,
[redacted]
From: carolyn steele <[redacted]>
Sent: Monday, 16 March 2020 8:49 AM
To: [redacted] <[redacted]>; Will Goodwin <[redacted]>
Subject: Release from MET

Alert: External Email. If unknown sender or email address do not click links/attachments and never give out your username or password.

Hi [redacted] and Will
After seeing the Craig's commentary on EQT potentially pulling the deal which seems to have spooked the market Friday, MET has just made this announcement FYI to clarify.
Carolyn
[redacted]

From: Will Goodwin
To: carolyn steele; [redacted]
Subject: RE: Full Year Result - NZX, New Zealand's Exchange
Date: Wednesday, 26 August 2020 1:13:41 pm

Thanks Caro – not a bad result all things considered. Good to hear the vote is progressing

From: carolyn steele <[redacted]>
Sent: Wednesday, 26 August 2020 9:26 am
To: [redacted] <[redacted]>; Will Goodwin <[redacted]>
Subject: Full Year Result - NZX, New Zealand's Exchange

Alert: External Email. If unknown sender or email address do not click links/attachments and never give out your username or password.

https://www.nzx.com/announcements/358656
Hi [redacted] and Will
I hope all is well.
MET Year end result attached. Key points you might be interested in include that underlying profit and NTA Mac thresholds have not been met. Underlying profit down 0.4%. EQT would have argued shouldn't have included wage subsidy but MAC test still ok if remove that. As you know prescribed occurrences are also contentious. NTA $7.18 down 3% on restated NTA last year. NTA restatement due to deferred tax adjustment.
Working to a 2 October timetable for vote.
Carolyn

From: carolyn steele
To: [redacted]; Will Goodwin
Subject: COVID-19 / Scheme of Arrangement - NZX, New Zealand's Exchange
Date: Thursday, 26 March 2020 11:23:53 am

Alert: External Email. If unknown sender or email address do not click links/attachments and never give out your username or password.

https://www.nzx.com/announcements/350713
MET announcement Under some influence by EQT to outline their rights to terminate.
Carolyn
[redacted]

From: Will Goodwin
To: carolyn steele
Subject: Re: Smellie article that didn't go through for some
Date: Wednesday, 22 April 2020 10:04:53 pm

Thanks Caro - yeah we saw this!

Get Outlook for iOS

From: carolyn steele <[redacted]>
Sent: Wednesday, April 22, 2020 8:44:56 PM
To: [redacted] <[redacted]>; Will Goodwin <[redacted]>
Subject: Fwd: Smellie article that didn't go through for some

Alert: External Email. If unknown sender or email address do not click links/attachments and never give out your username or password.

Interesting article in case you missed

Carolyn
[redacted]

From: Mark Binns <mbinns.co@gmail.com>
Sent: Wednesday, April 22, 2020 7:19 PM
To: Kim Ellis; Rod Snodgrass; Dr Noeline Whitehead; Chris Aiken; Alistair Ryan; carolyn steele; Glen Sowry; Richard Thomson; Andrew Peskett
Subject: Smellie article that didn't go through for some

PATTRICK SMELLIE: So much for 'family values' as Swedes flee Metlifecare deal

Published: Wed, 22 Apr 2020

By Pattrick Smellie

The trouble with bold, high-minded vision statements in the corporate world is they can be so damn difficult to live up to.

So it is for EQT, the Swedish private equity firm that says on its website its vision is "to be the most reputable investor and owner."

Having had a $3.3 billion crack at Australasian telco Vocus last year and withdrawn, EQT is now trying to wriggle out of a $1.49 billion takeover of Auckland-headquartered Metlifecare, citing the impact of covid-19 as a 'material adverse change' to the retirement village operator's valuation and profitability over the next three years.

EQT trumpets its connection to one of Sweden's wealthiest banking families, the Wallenbergs, whose benign and responsible influence is talked up throughout EQT's published materials.

Yet when all's said and done, EQT wants out of its Metlifecare deal for one simple reason: It doesn't want to pay $7 a share anymore.

Now it's combing the small print for an excuse to exit what Metlifecare regards as a rock-solid deal.

Swaggering Swedes

Accordingly, both sides are lawyering up, with Alan Galbraith, QC, understood to be retained by EQT and the Metlifecare board auditioning its own silks this week. Some of the more expensive PR talent on both sides of the Tasman is in the frame too: EQT has retained David Lewis, a former adviser to then prime minister Helen Clark, while Metlifecare has Sydney-based Clive Mathieson, former Australian prime minister Malcolm

Turnbull's chief of staff and editor of The Australian.

Metlifecare's fightback is calling in part on parochial New Zealand sentiment to inflict brand damage on a Swedish company that swaggered into town late last year, talking up its family values, and is now behaving just like any private equity investor scrambling out from the wrong side of the deal.

For its part, EQT has analysed the future of retirement village stocks and concluded Metlifecare will take a hammering after covid-19 – but suggesting that likelihood is hardly controversial. Companies everywhere are facing broken business models and unexpected recapitalisation needs as a direct result of the pandemic. Why would Metlifecare be any different?

It's certainly true in the retirement village sector all operators are drawing breath, pausing new developments, and expecting potential customers to be less able to afford their more up-market offerings in the near future. Elderly people tend to sell their existing homes to afford the move to a retirement village. If house prices fall, as they are likely to do, their ability to make that move will inevitably be constrained.

EQT needs only to prove it is "reasonably likely" either that Metlifecare's net tangible assets will fall by $100 million or that its underlying profit will fall by more than 10 percent in any one financial year.

By the time this argument gets to court, today's reasonable likelihood could well have become fact.

However, it's not yet clear that the long-term view of the retirement operator's value has changed materially. Shares in Metlifecare and its peers, Summerset and Ryman, are barely changed from where they were a year ago, having ridden last year's bull market up, slumped in synch with the NZX50 post-covid to a nadir on March 23, and recovered somewhat since.

No low-ball deal

Unsurprisingly, Metlifecare did take another hit on April 8, falling 17.7 percent in a day to $3.50 on the announcement that Asia Pacific Village Group, the EQT subsidiary transacting the deal, was pulling out. Metlifecare is now drifting near the $4.25 mark.

Given the gap between the share price today and EQT's $7 offer, there would appear to be little room for a civil renegotiation.

For one thing, the NZ Super Fund and ACC own about 26 percent of Metlifecare between them. The Super Fund, with just under 20 percent, is even bound by a lock-up agreement that requires it to support EQT on the original deal. Awkward!

As two of this country's most patient, long-term investors, the Super Fund and ACC are not going to take a low-ball deal.

For them, and for the Metlifecare board, it's a far better punt to let a judge, a lot of legal fees and maybe a year to pass to get an outcome in court. Even if the deal ends up being at $6.50 a share, it's worth the wait if they're confident EQT's claim for relief is shaky.

Less clear, however, is the likely attitude of 'hot money' hedge funds that piled into Metlifecare after the EQT deal was announced and are now sitting on substantial paper losses if the deal doesn't proceed. If they were to claim they were tipped into the deal by Metlifecare or their advisers at Jarden, there might yet be opportunities for separate legal action and an opportunity for another set of lawyers.

Nordic deal freezes

At the heart of EQT's attempted departure is the so-called MAC (material adverse change) clause in the scheme of arrangement.

The fine print in that clause prevents withdrawal on the grounds of "changes in general economic conditions, the publicly traded securities market in general, or law."

To get around this, EQT is arguing the material adverse change is covid-19 itself, and government responses to it, rather than the resulting change in general economic conditions.

Arguing the toss on this key point is where the assembled QCs will make their money.

At face value, EQT has a point. Private equity firms all around the globe are trying to exit deals and citing covid-19.

Bloomberg reported just this week that "lawyers involved in arranging Nordic deals say clients are trying to walk away from transactions they've already entered into as covid-19 upends their forecasts for the future," including EQT in at least two separate US deals.

Meanwhile, Metlifecare still intends to dispatch documents to shareholders before the end of the month ahead of a vote on the scheme of arrangement, even though EQT will formally withdraw the deal on Friday this week.

'No material hit'

EQT is keen to have its actions compared with the failure of a similar scheme involving the Abano dentistry group, on March 30. However, the circumstances are not identical. Abano's directors informed the bidder of developments that caused the bidder to scrap a $149.8 million scheme of arrangement. Abano has closed all its dental practices in Australia and New Zealand, other than a handful of practices providing emergency treatment only, citing the impact of covid-19.

Metlifecare is arguing that Abano is irrelevant for three reasons. First, while Abano's deal was ended by the bidder, the company agreed the bidder had that right.

Secondly, dentistry is mostly not an essential service, which retirement homes are, and Metlifecare continued operating much as usual under the current lockdown.

And thirdly, Metlifecare claims it hasn't seen any material hit to earnings or valuation, and that if it had, it would have had to announce that to the NZX under continuous disclosure rules.

By contrast, Abano's revenue fell to near zero after its practices were closed.

There's a fourth factor: Close observers reckon EQT has signed up to an unusually loose MAC clause. The Abano MAC arrangements were far tighter, they argue.

Metlifecare's shoot-from-the-lip chair, Kim Ellis, has issued aggressive public commentary, telling Radio New Zealand he believes EQT is "panicking."

"They don't even understand the business, even though they've had untold data. They don't understand that this is a one-month pause in activity. The core business is in great shape."

Property values falling

To bolster that claim, Metlifecare this week issued earnings guidance for the first time for the current financial year, even as others in their sector have been withdrawing theirs.

Underlying profit would be between $85 million and $90 million, just a shade below last year's, Metlifecare said.

EQT thinks that figure has been massaged and there is no denying the underlying profit calculation excludes the impact of falling property values – a key element in the valuation of retirement operators. Metlifecare's statutory profit, including the revaluation of its property portfolio, almost halved in the six months to Dec. 31, reflecting a softer property market.

However, that happened before covid-19 and favours Metlifecare's position that EQT can't exit just because of changes in 'general economic conditions'.

After all, EQT must have known real estate values were softening when it made its offer on Dec. 29.

And so the arguments will swirl.

The stakes are high in this first big corporate legal battle attributable to covid-19.

At this great distance from head office, and from the respectable aura of the Wallenberg family, EQT may be willing to torch its high-minded principles to escape a deal that's got too rich for its blood in a part of the world it may be retreating from anyway.

Equally, Metlifecare may end up wishing it had studied the legend of King Canute more carefully when insisting its fortunes won't materially change because of covid-19.

In the meantime, however, the locals

seem committed to an unusually vigorous effort not to let the Swedes get away with it.

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Sent from my iPhone

From: carolyn steele
To: Will Goodwin; [redacted]
Subject: Takeovers Panel no objection to MET Scheme
Date: Monday, 19 October 2020 9:24:02 am

Alert: External Email. If unknown sender or email address do not click links/attachments and never give out your username or password.

Hi [redacted] and Will
MET has just announced Takeovers Panel has determined it will release a no objection statement to the Scheme.
Just the court hearing to go tomorrow.
Carolyn

From:	Kim Ellis
To:	Will Goodwin; [redacted]
Cc:	mbinns.co@gmail.com; [redacted]; [redacted]; Cristina Billett
Subject:	RE: Update from NZ Super
Date:	Tuesday, 28 April 2020 4:45:39 pm
Attachments:	image001.jpg image002.png image003.png

Alert: External Email. If unknown sender or email address do not click links/attachments and never give out your username or password.

Thanks Will. Been an interesting ride so far!

Regards

Kim

From: Will Goodwin <[redacted]>
Sent: Tuesday, April 28, 2020 4:40 PM
To: Kim Ellis <kim.ellis@rbe.co.nz>; [redacted]
Cc: mbinns.co@gmail.com; [redacted] <[redacted]>; [redacted] <[redacted]>; Cristina Billett <[redacted]>
Subject: Update from NZ Super

Good afternoon Kim,

Further to the market announcements today, NZ Super would like to make the following statement to MET and is comfortable for you to release to the market should you choose.

Guardians of New Zealand Superannuation (as manager and administrator of New Zealand Superannuation Fund) (**Guardians**) and New Zealand Superannuation Fund Nominees Limited (**Shareholder**) today received a notice of Termination of Voting Deed from Asia Pacific Village Group Limited (**APVG**). Guardians wishes to advise Metlifecare Limited (**Metlifecare**) that regardless of APVG's notice of Termination of Voting Deed, its current intention is to instruct the Shareholder to vote in favour of the scheme at the planned 9 June 2020 shareholder meeting. Ends.

Kind regards,

Will

Will Goodwin

[redacted]

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From: carolyn steele
To: Will Goodwin; [redacted]; Cristina Billett
Subject: Shareholders draft statement for mid next week
Date: Saturday, 16 May 2020 3:25:32 pm
Attachments: MET - shareholders statement.docx

Alert: External Email. If unknown sender or email address do not click links/attachments and never give out your username or password.

Hi Will
Just a heads up to expect [redacted] to call you. Some MET shareholders are considering issuing a statement in support of MET scheme - see attached - targeting release mid next week.
They understandably think that it would be helpful if shareholders like Nz super and acc joined them.
I think the attached statement adds pressure to EQT in terms of public opinion without being too negative or committing to be an interested party in the litigation.
Happy to discuss anytime, thought it best Sam discusses as he has been talking to other funds directly.
Carolyn
[redacted]