

7 April 2021

Gallin

Gallin Pty Ltd
Level 16, 644 Chapel Street
South Yarra, Victoria 3141

7 April 2021

The Manager
ASX Market Announcements
ASX Limited
4th Floor, 20 Bridge Street
SYDNEY NSW 2000

On-market takeover offer by Gallin Pty Ltd (Gallin) for all of the shares on issue in McPherson's Limited (ACN 004 068 419)

Further to our announcement of 6 April 2021 regarding Gallin's replacement bidder's statement, attached in accordance with section 635(1) item 8 of the *Corporations Act 2001* (Cth) is a letter sent to holders of bid class securities with the replacement bidder's statement.



Nicholas Perkins, Director
Gallin Pty Ltd

7 April 2021

Dear Shareholder,

Offer for your shares in McPherson's Ltd ("McPherson's" or "MCP")

I am pleased to present you with this offer (the **Offer**) to acquire your shares in McPherson's for \$1.34 cash per MCP Share (the **Offer Price**), which delivers you certain and immediate value.

The Offer is attractive and unconditional and you should accept for the following reasons:

- McPherson's has a long history of declining revenue and earnings, and has failed to provide specific guidance on its future performance;
- McPherson's share price has significantly underperformed the ASX All Ordinaries Index over the near term and long term;
- Leadership instability and lack of transparency provides no confidence performance can be improved;
- McPherson's poor M&A track record suggests further acquisitions will heighten risks to the business;
- McPherson's is in need of a turnaround, which will take time and requires management stability and enhanced capability. Therefore, sustainable growth in revenue and earnings is highly uncertain;
- 100% cash consideration: certain and immediate value at an attractive price; and
- McPherson's share price may fall after the Offer closes.


You are permitted to sell some or all of your MCP Shares for 100% cash consideration at \$1.34 per share on market immediately and will be paid cash two Trading Days after your acceptance. The Offer will close on Monday, 10 May 2021, unless extended or withdrawn under the Corporations Act.

Further details on the Offer, including how to accept the Offer and the reasons to accept the Offer, are contained in the Bidder's Statement accompanying this letter.

If you have any questions about the Bidder's Statement or the Offer generally, please contact the Offer Information Line on 1300 038 212 (within Australia) or +61 2 8022 7915 (outside Australia), or consult with your professional adviser.

We look forward to receiving your acceptance.

Yours sincerely,



Nicholas Perkins
Director, Gallin Pty Ltd