

NZX Release

25 March 2019

THE BETTER BAR COMPANY ENTERS INTO AGREEMENT TO ACQUIRE UNION POST

Veritas Investments Limited (“**Veritas**”) announces that its wholly-owned subsidiary, The Better Bar Company Limited, has entered into a conditional agreement to purchase the business and assets of Union Post from Cloak Hospitality Limited as a going concern, for \$1.5 million plus stock (estimated to be \$20,000). Union Post is a popular pub located in the Ellerslie Town Centre and is an established, profitable business with a good reputation in the community.

Veritas Chairman Duncan Makeig says, “The Board and the management have been investigating potential opportunities to grow the group. Union Post is in a highly desirable location and represents a complementary acquisition for The Better Bar Company on a number of levels, from which we could drive synergies through our existing hospitality outlets, procurement base and supplier relationships. This is an exciting opportunity for the Veritas group.”

The full purchase price will be debt-funded from the acquisition and capital expenditure facility provided by Pacific Dawn Limited. The acquisition is conditional on customary matters such as finance, landlord and key supplier consents and relevant permits and licences being obtained to ensure the day-to-day operation of the business.

A deposit of \$150,000 will be payable after the transaction becomes unconditional (expected to be in the first half of April 2019), with the balance of the purchase price to be paid at completion. Subject to satisfaction of all conditions, Veritas expects completion of the transaction to occur in mid-April 2019.

The company advises that the proposed purchasers of the Lynfield and Newmarket sites have not satisfied all of the conditions for the purchase of those venues, and we have accordingly cancelled the conditional contracts relating to their sale. Both sites remain profitable, and will continue to be operated by The Better Bar Company. The company continues to consider its options for these sites, which may include their redevelopment or sale.

About Veritas Investments Limited

Veritas Investments is an NZX-listed investment company focusing in the hospitality sector. The shell company was formed in December 2011 and acquired The Better Bar Company group business in November 2014.

For further comment, please contact:

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