



22 April 2020

Dear Shareholder

Pohutukawa II Distribution 22 April 2020

The Pohutukawa II Board is pleased to announce a gross distribution of 6.0 cents per share (cps).

We expect the distribution will be paid to your nominated bank account on or about 22 April 2020. The distribution is payable to shareholders on the Register as at 9 April 2020.

This \$4.95m gross distribution represents capital and dividend proceeds from Bayleys Corporation Ltd (BCL). This capital return results from the realisation of 86% of the BCL shares. The bulk of the capital proceeds have been received with the balance of \$1.2m being deferred as an interest-bearing loan. Direct Capital continues to maintain a minority shareholding in BCL and represents Pohutukawa II on the Board.

Details of the distribution are provided in your distribution statement from the Registry.

This distribution brings your total gross return to \$1.10 per share compared to your contributed capital of \$0.62 per share.

Net Asset Value

Following the distribution, the indicative net asset value of the remaining assets in Pohutukawa II is approximately \$0.05 per share, after allowing for earn-out based on 31 December 2019 valuations.

Thank you for your continuing support. If you have any queries on the distribution, please contact Peter Lalor at Pohutukawa II Management Ltd on 07-927 7927 or email enquiries@pohutukawafund.co.nz.

Yours faithfully

POHUTUKAWA PRIVATE EQUITY II LIMITED

A handwritten signature in blue ink, appearing to read 'John McDonald', with a horizontal line underneath.

JOHN MCDONALD
Chairman