

MEDIA RELEASE

23 September 2020

PFI founder joins Provincia Property Fund

Provincia Property Fund today announced the appointment of Malcolm McDougall to the Board.

McDougall was a founding director of Property For Industry (PFI), an NZX 50 listed property investor with a market capitalisation of over \$1.3 billion.

McDougall is an experienced company director, chairman of Villa Maria Estate Ltd, and director of several other companies.

In conjunction with McDougall's appointment, Carl Burling stepped down from the Board and was appointed CEO of Provincia.

Burling describes the changes to the board as part of an exciting evolution of the fund as it continues to grow and improve the security and return to investors.

The fund currently owns seven industrial properties valued at \$50 million.

Provincia asset manager Jack Revill, who is in charge of identifying acquisition targets and managing the fund's properties, is excited about McDougall's appointment.

"Malcolm helped grow PFI into a listed company worth over \$1.3 billion and I'm looking forward to tapping into his expertise to grow Provincia the same way."

About Provincia

Provincia Property Fund is a specialist industrial property investment fund.

The fund was established in November 2017 to provide investors with an alternative to direct ownership of industrial property, whilst maintaining almost all of the benefits of direct ownership.

Provincia CEO Carl Burling says, "The aim is to make an expensive asset class very accessible to investors. The fund has a simple structure that avoids the layers upon layers that all too often come between investors and the underlying assets."

As a diversified, open-ended PIE fund, Provincia gives investors access to better returns and a spread of risk over a greater number of quality properties, and becomes increasingly diversified as more properties are acquired.

Provincia targets a pre-tax cash dividend of 6 per cent p.a. on the currently prevailing share price, plus capital growth.

The share price is determined by independent, registered valuations of the properties owned by the fund, and is not influenced by fickle investor sentiment.

Thanks to its value-add strategy, the fund provided investors with an 11.1 per cent total return in the year to 31 March 2020, and 16.8 per cent the year prior.

Actual ROI (return on investment) depends on the share price at the time the investment was made.

Foundation investors are currently earning 8.1 per cent return on their original \$1.00 per share investment.

Industrial property is generally regarded as the safest commercial property class, especially since the Covid-19 pandemic struck, impacting the valuations of retail and office space.

Tenants of Provincia's properties include essential services, food manufacturers, and logistics warehousing and distribution centres that have been relatively unaffected by the lockdowns.

In some cases Provincia tenants did record turnover as a result of changes brought about by Covid-19.

Provincia's properties are located in some of the lowest vacancy rate areas in New Zealand, making it easier to attract new tenants in the future and further reducing risk.

ENDS

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See overleaf for Malcolm McDougall's CV...

Malcolm McDougall

Current Governance Appointments

Villa Maria Estate Ltd	Chair
Villa Maria Wine Estate Pty Ltd	Director
Villa Maria Wineries New Zealand (UK) Ltd	Director
Villa Maria Wineries (Canada) Ltd	Director
Bird Deterrent System Limited	Chair

Experience

Economist for Prime Minister Muldoon (1975)

One-year engagement leading up to 1975 elections.

Secretary of NZ Meat Exporters Council (1976 to 1978)

Council representing all major meat exporters.

NZ Marketing Manager Dalgety Crown (1979 to 1983)

Stock and station industry when Dalgety Inc and Crown Farmers merged.

Managing Director Crown Ventures (1984 to 1987)

Managing \$30 million Venture Capital Fund to support Crown Corporation business plan in global food distribution.

Willis Bond & Co (1988 to 2007)

Investment banking firm formed in 1988, owned with Mark McGuinness.

Major achievements are the formation of Pencarrow Private Equity and Property for Industry Ltd. Also involved in major property developments in Auckland and Wellington.

McDougall Reidy & Co (2007 to date)

Investment banking firm formed in 2007, owned with Greg Reidy. Major achievements are the formation of Direct Property Fund Ltd in 2008, which merged with Property for Industry Ltd in 2013 creating the currently listed \$1.3 billion property investment company.

Education

Master of Commerce (Hons) Lincoln University (1974)