



Provincia

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Provincia Property Fund Ltd - Dividend Reinvestment Plan

This document (**Offer Document**) contains a description of the Provincia Property Fund Ltd (**Provincia**) Dividend Reinvestment Plan (the **DRP**) and its terms and conditions.

How does the DRP work?

The Provincia Dividend Reinvestment Plan provides you, as a Provincia shareholder, with an opportunity to use your net after-tax dividends to automatically invest in additional fully paid Provincia shares. This is a convenient method of increasing your investment by acquiring further Provincia shares free of any charges.

Provincia will either issue new Provincia shares to you, or the Manager (Provincia Property Fund Management Ltd) will transfer Provincia shares to you.

Your cash dividend net of PIE tax will be automatically reinvested.

If you elect to participate in the DRP then this will apply to your entire shareholding - you cannot elect to participate in the DRP in respect of part of your shareholding.

Who can participate in the DRP?

Investors who qualify as Wholesale Investors are eligible to participate in the Dividend Reinvestment Plan. This DRP offer is not open to the public. It is open to Wholesale Investors including New Zealand residents who invest at least NZ\$750,000 or who are Eligible Investors or who are otherwise classed as Wholesale Investors. Non-New Zealand residents may also apply, although please contact us first.

Please refer to the Application Form in the most recent Provincia Investment Statement for full details relating to "Wholesale Investors" and "Eligible Investors".

How do I participate in the DRP?

Participation in the DRP is optional. If you elect to join, please complete the **Participation Notice** at the end of this Offer Document and send it to Provincia's administrator:
Rockburgh Fund Services Ltd (Attn: Lu Zhang lu.zhang@vcfo.co.nz)

Shares issued at a discount to DRP participants

Under the DRP, the number of Provincia shares allocated in respect of a dividend will be at the share price calculated at the end of the relevant quarter less a discount of 2 cents. You will receive additional fully paid Provincia shares equal to the value of your net after-tax cash dividend, divided by the discounted share price.

Calculation of share entitlement

$$\frac{\text{Net after-tax cash dividend value}}{\text{Discounted share price}} = \text{Shares available for reinvestment}$$

No fractional shares will be issued. Fractional shares with a value of 0.5 or more will be rounded up. Fractional shares with a value less than 0.5 will be rounded down.



Provincia

INVEST INDUSTRIOUSLY

Shares acquired

Shares issued under the Dividend Reinvestment Plan will rank equally in all respects with existing Provincia shares.

Cost to participants

No brokerage, commission or other transaction costs will be payable by participants in respect of the Provincia shares issued to them under the DRP.

Joining and withdrawal arrangements

You can join the DRP or withdraw from the DRP at any time by forwarding a written notice to the Manager. All notices received by 5:00 PM on the first business day of the third month of a quarter will apply to the dividend due for that quarter and any future dividends. Any notices received after the first business day will apply to dividends commencing with the payment in the following quarter.

If you wish to continue receiving cash distributions from Provincia, you should not take up this offer.

Transfer of Provincia shares

Participants who transfer all of their Provincia shares will be deemed to have terminated their participation in the DRP on the date the transfer of their holdings is registered. The Manager will, upon registration of the transfer of shares to a new Shareholder, provide the new Shareholder with a copy of the DRP Offer Document.

Manager's discretion

The Manager may at any time in its sole discretion:

- Terminate or modify the DRP. If the DRP is modified, then a Participation Notice will be deemed to be a Participation Notice under the DRP as modified unless that Participation Notice is withdrawn by the participating shareholder.
- Suspend the operation of the DRP so that it will not apply to the whole or part of any dividends and that the dividend or the balance of the dividend, as the case may be, will be paid in cash.
- Determine that in the event of the subdivision, consolidation or reclassification of the Provincia shares into one or more new classes of Provincia shares, that a Participation Notice will be deemed to be a Participation Notice in respect of the Provincia shares as subdivided, consolidated or reclassified unless such Participation Notice is subsequently changed or withdrawn by the participating shareholder.
- Determine that a Participation Notice will cease to be of any effect.
- Where any termination, suspension or modification is made to the DRP pursuant to this paragraph, notice of such suspension, modification or termination will be given to all participants.

Notwithstanding this paragraph, the Manager may at any time, without the need of any notice:

- Modify or terminate the DRP to comply with any applicable law, or any provision of the Investment Management Agreement of the Fund; and
- Make minor amendments to the DRP where such amendments are of an administrative, procedural or clarifying nature.



Provincia

INVEST INDUSTRIOUSLY

Taxation

As at the date of this Offer Document for New Zealand income tax purposes, shareholders who reinvest the net proceeds of their cash dividends in the acquisition of further Provincia shares will be treated in the same way with respect to their dividends as if they had not reinvested.

PIE tax will continue to be calculated at your notified PIR and paid to Inland Revenue on your behalf in the normal manner.

The cash dividend net of PIE tax will be available for reinvestment.

This tax summary is, of necessity, general. It does not take account of your individual circumstances and the specific tax consequences of your participation or non-participation in the DRP, which may vary considerably.

You should not rely on this general summary but should seek your own tax advice. The Manager does not accept any responsibility for the financial or taxation effects of your participation or non-participation in the DRP.

Governing law

The Provincia Dividend Reinvestment Plan and its operation and these terms and conditions will be governed by the laws of New Zealand.

Available information

Copies of Provincia's latest Annual Report and latest Investment Statement are available free of charge from the Manager or can be downloaded from <https://www.provincia.co.nz/investor-centre/>

If you have any questions regarding this Offer Document, please contact:

Carl Burling

Provincia Property Fund Management Ltd
PO Box 26594, Epsom, Auckland 1344, New Zealand
Email: carl@provincia.co.nz
Mobile: 021 342-412

Alternatively, please contact your financial adviser.

9 November 2020



Provincia

INVEST INDUSTRIOUSLY

Participation Notice

Do not complete this section if you wish to continue to receive in cash all dividends declared.

Investment decisions are very important. They often have long term consequences. Read all documents carefully, including Provincia's latest Annual Report, latest Investment Statement and this DRP Offer Document. Ask questions. Seek advice before committing yourself.

This DRP offer is not open to the public. It is open to Wholesale Investors including New Zealand residents who invest at least NZ\$750,000 or who are Eligible Investors or who are otherwise classed as Wholesale Investors. Non-New Zealand residents may also apply, although please contact us first.

Please refer to the Application Form in the most recent Provincia Investment Statement for full details relating to "Wholesale Investors" and "Eligible Investors".

Registered Holder(s)

I/we elect to participate in the Provincia DRP and therefore the net after-tax dividends declared will be reinvested in Provincia shares.

Signature

Signature

Date

Date

This Participation Notice is not valid unless duly completed and signed. Joint holders must each sign. Companies must execute by an authorised officer or attorney. In case of a trust, all trustees must sign. If signed by an attorney, the relevant authority must either have been exhibited to the Manager or must accompany this Participation Notice.

Please send the completed Participation Notice to Provincia's administrator:

Rockburgh Fund Services Ltd
Attn: Lu Zhang lu.zhang@vcfo.co.nz