

28 July 2016

Dear Shareholder

Pohutukawa I Distribution 29 July 2016

Capital Return

In April 2016 Pohutukawa distributed 40 cents per share (cps) representing capital proceeds from the realisation of our investment in New Zealand Pharmaceuticals (NZP). The Board indicated at the time that a further distribution of at least 8 cps would be made inside 3 months.

The Pohutukawa Board is pleased to announce a further capital distribution of 9.5 cps following the release of New Zealand Pharmaceuticals escrowed proceeds. We expect the distribution will be paid to your nominated bank account on or about 29 July 2016.

The capital distribution is payable to shareholders on the Register as at 22 July 2016.

Returns to Date

Following this distribution, shareholders will have received total gross returns of \$1.61 compared to your contributed capital of \$1.00.

Net Asset Value

The adjusted Net Asset Value (NAV) of the Pohutukawa portfolio after this distribution is equivalent to 19 cps net of earn-out provision.

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

Yours faithfully

POHUTUKAWA PRIVATE EQUITY LIMITED



JOHN MCDONALD
Chairman