

21 October 2019

Middlefield Canadian Income PCC

(the Company or MCT)

Positive Investee Company Update – Acquisition of Holding

Middlefield Canadian Income PCC (MCT.L), the London listed investment company that invests in a diversified portfolio of primarily Canadian and US equity income securities, is pleased to provide the following positive update on one of its core holdings.

On 21 October 2019, AltaGas Canada Inc. (“ACI”) (“AltaGas”) announced that two large Canadian pension funds, Public Sector Pension Investment Board (“PSP”) and Alberta Teachers’ Retirement Fund Board (“ATRF”), will acquire the company at a price of C\$33.50 per share. The C\$1.7 billion all-cash transaction equates to a 31% premium to the previous day’s closing price.

MCT’s holding in AltaGas represents c. 2.5% of the Company’s net asset value. The Company has held ACI since it went public in September 2018 at the IPO price of \$14.50 per share, and the position has generated a total return of c. 140%.

AltaGas is a Canadian company with a diversified portfolio of high-quality regulated natural gas utilities and long-dated contracted renewable power assets. ACI serves approximately 130,000 customers in Canada with an emphasis on low carbon energy. 100% of ACI’s EBITDA is regulated or long-term contracted which supports its quarterly distributions which yielded c. 5% prior to the announcement.

Commenting on the Transaction, Dean Orrico, President, Middlefield International Limited said:

“Another of MCT’s portfolio companies has been taken private at a significant premium to its last market price. Underpinned by stable and consistent cash flows, AltaGas is an example of the high-quality companies the Fund invests in. Since its IPO, ACI has paid an attractive quarterly distribution and maintained a conservative payout ratio while delivering organic growth for shareholders. These fundamental characteristics are highly desired by institutional investors and further validate our conviction for owning companies which exhibit steady cash flows, growing dividends and competitive risk-adjusted returns. The acquisition of ACI follows Blackstone’s announcement to acquire another of MCI’s core holdings, Dream Global REIT, at an 18.5% premium in September 2019.

Enquiries:

Middlefield International Limited
Dean Orrico

01203 7094016

Investec Bank plc

020 7597 4000

Helen Goldsmith
Neil Brierley

Buchanan
Charles Ryland
Victoria Hayns
Henry Wilson

020 7466 5000

Notes to Editors

Middlefield Canadian Income PCC aims to provide long term returns through dividend income and capital growth from a diversified portfolio of predominantly Canadian equity income securities and US stocks. The Company has been listed since 2006 as London's only listed Canadian equity income fund.

For more information on the Company, please visit our website and our latest monthly commentary document.

<http://www.middlefield.co.uk/mcit.htm>