

10 May 2021

Dear Shareholder

FIRST NZ PROPERTIES LIMITED (COMPANY) – SHAREHOLDER UPDATE

Dividend

The Directors held a board meeting on the 20 April 2021 and determined that an interim gross dividend of 10 cents per share be declared. This will show as a net dividend on your statement of 7.2 cents per share. The dividend is fully imputed and will be paid on 11 May 2021.

Please find enclosed your dividend statement.

Property

15 Sheffield Crescent

The tenant continues to pay full rent and opex. The tenant has undertaken improvements to the property for the purpose of adding to its product lines. Engineers have been instructed by the Company and are preparing information required for the consents needed to carry out strengthening works to the property to achieve 67% NBS. The building satisfies its current Building Warrant of Fitness.

234 Rangitikei Street, Palmerston North

All tenants continue to pay full rent and opex. Price Busters has commenced its renewed term of a further 6 years. Bed Bath & Beyond has sublet half of its tenancy to Postie Plus.

Claims against Investment Services Limited (ISL) and others

The defendants have filed statements of defence denying the claims. In addition, ISL has counterclaimed for losses suffered because of the Company's alleged repudiation of the management agreement.

There has been initial disclosure of the documentation relied on for the preparation of the claims and defences. It has been agreed that the discovery of documentation process, and the inspection of documents will be completed by 13 September 2021.

Syndex

It is expected that access to the Syndex platform will be available by June.

For further information on Syndex and how the platform works, you can visit their website: www.syndex.exchange.

Share Registry Services

ISL has advised that it will continue to provide share registry services for the Company until 30 June 2021. ISL does not intend to renew its registration as a financial service provider and will cease to be registered as a financial service provider.

Annual General Meeting

The AGM is tentatively set down for Thursday 23 September 2021 in Dunedin.

If you have any questions or queries you can contact John, Damien or Paul by email at:

John@fssmanagement.co.nz

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paul@fssmanagement.co.nz

Kind regards

John Murray
Chair