



Dividend Policy for First NZ Properties Limited, Superstore Properties Limited, and Springs Road Property Limited (the Companies).

Adopted by the directors of the Companies on: 17 August 2021

Review Date: October 2023

Introduction

There are several types of dividend policies which a company can subscribe to as set out below:

Regular Dividend Policy

Under this type of dividend policy, the company follows the procedure to pay out a dividend to its shareholders every year. If the company earns abnormal profits, then it retains the extra profit. Whereas, if it remains in loss any year, then also it pays a dividend to its shareholders. This type of policy is adopted by the company who are having stable earnings and steady cash flow. The class of investors putting their investments into these companies is generally risk averse. They mainly belong to the retired or investors that aim at regular income.

Stable Dividend Policy

Under this type of dividend policy, the company follows the procedure to pay out a defined fixed percentage of profits as dividends every year. For example, suppose a company sets the pay-out rate at 10%. Then this percentage of profit will be paid out as dividends every year regardless of the quantum of profit. In the eyes of investors, a company adopting this policy is risky. The reason being the amount of dividend fluctuates with the level of profit.

Irregular Dividend Policy

Under this type of dividend policy the company has no obligation in respect of paying a dividend to the shareholders. The board of directors will decide the quantum and rate of dividend. This type of policy is adopted by the company who are having irregular cash flow and lacks liquidity. In the eyes of Investors, companies paying irregular dividends are considered risky.

Dividend Policy of the Companies

The dividend policy of the Companies is to distribute to its shareholders a part dividend in May and then a final dividend in November, after the finalisation of the annual accounts. The total amount of these dividends will be subject to the directors of the Companies analysing the Companies' financial position. The total annual dividend will be based on paying up to 100% of adjusted operating profit

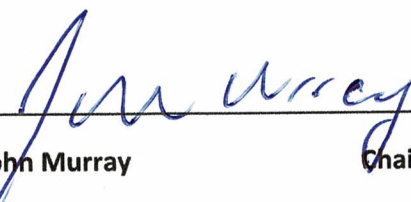
(which represents net profit before tax, excluding revaluations, performance fees, non-cash or non-recurring transactions and any initial borrowing costs).

Dividend Payout

The dividend payout is subject to the directors of the Companies having considered:

- a) The on-going cash needs for operating, financing and capital expenditure of the Companies.
- b) Any banking or other funding covenants by which the Companies are bound from time to time.
The current banking covenant is a minimum Equity Ratio of 50% and a self-imposed Current Assets to Current Liabilities ratio of > 1.5 : 1
- c) Imputation credits being available or prepayable to fully impute the proposed dividend amount.
- d) The recognition that working capital requirements increase as overall company turnover increases.

Any cash distribution or other distribution is at the discretion of the directors and is subject to the relevant Company meeting the solvency test requirements of the Companies Act 1993 and the directors determining that it is in the best interests of the Companies that a distribution be paid. The payment of any distribution is therefore not guaranteed. The Companies' dividend policy may change from time to time as determined by the directors. As a result of the above, the actual cash distribution paid for a period may vary from any forecast distribution.

Signed 
John Murray Chair

Date 23. 11. 21

Signed 
Damien Prendergast Director

Date 23/11/21