

<OWNER>  
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11 March 2022

Dear First NZ Properties shareholder

## **SECOND UPDATE: CNP follow-on offer for shares in First NZ Properties**

This is the second update on the recent offer by CNP Investment Holdings LP ('CNP') to buy your shares in First NZ Properties, via a 'disclosure document' mailed to you on or around 5 February 2022 (this disclosure document is included again here, as required by the relevant regulations).

### **New information since the first update (letter dated 5 March 2022)**

- CNP can now confirm that it now has acceptances that will deliver CNP (with associates) a total shareholding of approximately **60%** in First NZ. **This confirms that CNP will successfully obtain control of First NZ with this Offer** (assuming the Offer conditions are satisfied or waived, with all of these acceptances being taken up by CNP).
- As previously advised, on achieving effective control, CNP's plans for First NZ include reconstituting the board of directors, reviewing the dividend policy, a more aggressive direction, and reviewing the capital structure. As noted in the Fairness Opinion:

*'...the anticipated effect of these changes would be that First NZ will become a higher risk investment which does not pay dividends in the foreseeable future while it pursues a growth strategy. In our view, this is an important consideration that shareholders should take into account when deciding whether or not to accept the CNP Follow-up Offer.'* [CNP emphasis added]

- A 60% shareholding may also allow CNP to carry special resolutions of First NZ shareholders such as undertaking major transactions (buying or selling significant assets), and/or **changing the First NZ constitution**. (While special resolutions require 75% approval from those shares that are voted, often many shareholders of widely held companies do not vote.)
- CNP can also confirm that **Michael Millar (1.5%) and Investment Services Limited (6.9%) have accepted CNP's \$4.61 Offer for all of their shares in First NZ**. Mr Millar was a prior director of First NZ, and also controls Investment Services Limited, the prior manager of First NZ. Mr Millar and Investment Services are the subject of the legal claim by First NZ and others. Mr Millar is also subject to the inbound litigation around the Symonds St property. Given all this, Mr Millar obviously has considerable knowledge of First NZ and its future prospects, and therefore you may consider his decision to accept the CNP Offer is relevant to your own decision.
- **Although the closing date for the CNP Offer has now passed, under the terms of the Offer CNP has the discretion to accept late acceptances.** Should you still wish to accept but have not yet done

so, please urgently email the enclosed Acceptance and Share Transfer Form to [craig@pagetcapital.co.nz](mailto:craig@pagetcapital.co.nz). If you need help scanning the completed Acceptance and Share Transfer Form, or help emailing it, you may consider asking a family member to assist, or call me on the number below.

**Contact details**

If you have any questions, you can phone me on 021-615-625 or email me at [craig@pagetcapital.co.nz](mailto:craig@pagetcapital.co.nz).

Yours sincerely

Craig Priscott  
On behalf of CNP Investment Holdings LP

This document is not financial or investment advice. It does not take into account your objectives, financial situation or the needs of individuals. Undue reliance should not be placed on any forward-looking information contained within, which involves inherent risks and uncertainties. No outcomes or returns are promised by any person and there is no obligation to provide any update in respect of any future matters should circumstances change. If you are in doubt as to any aspect of this Offer, you should consult your financial or legal adviser.

## Follow-on offer for your shares in First NZ Properties Limited @ \$4.61

### Important information

This is an unsolicited offer by CNP Investment Holdings LP to buy your shares in First NZ Properties Limited ('First NZ' and 'First NZ Shares').

**Make sure you read carefully and understand all of the terms of this unsolicited offer, including any fine print in this document or in any other documents or forms relating to the offer. Find out what your investment is really worth before selling it. You can find out how much your investment is likely to be worth from an authorised financial adviser or the company or other entity that offers the investment.**

### Offer price compared with fair estimate of value

<b>Offer price</b>	\$4.61 per share	<b>Fair estimate of value</b>	\$4.61 per share
<b>Offer price for individual offeree's shares</b>	\$<OFFER PRICE>	<b>Fair estimate of value for individual offeree's shares</b>	\$<FAIR ESTIMATE>
<b>Total offer price for offerees collectively</b>	\$3,457,500 (for 750,000 shares)	<b>Total fair estimate of value for offerees collectively</b>	\$3,457,500 (for 750,000 shares)
<b>Total offer price for offerees collectively if oversubscriptions taken up in full</b>	\$12,677,500 (for 2,750,000 shares)	<b>Total fair estimate of value for offerees collectively if oversubscriptions taken up in full</b>	\$12,677,500 (for 2,750,000 shares)

The estimates of value specified above are fair estimates of value as at 28 January 2022.

The fair estimate of value of \$4.61 per First NZ Share is based on the price that CNP recently acquired 144,609 First NZ Shares (representing approximately 3.6% of the First NZ Shares on issue) from two of First NZ's shareholders who are 'wholesale investors'. The key assumption underpinning this \$4.61 fair value estimate is that the two wholesale investors (as sellers) and CNP (as buyer) were reasonably informed as to the affairs of First NZ when these shares were transacted, and therefore that this represented an arms-length transaction.

The fair estimate of value is the opinion of CNP Investment Holdings LP (and has not been reviewed by an independent third party).

You can find out how much your investment is likely to be worth from an authorised financial adviser or the company or other entity that offers the investment.

The offer to you must remain open for a minimum of 30 days from the date of the offer. You have time to think about whether or not to accept the offer.

### Terms of payment

CNP reserves the discretion to make payment at any time after receiving an accepting shareholder's

Acceptance and Share Transfer Form. Regardless, all payments must occur no later than 31 March 2022. Payment will be made to the bank account specified by you (either in the Acceptance and Share Transfer Form or otherwise).

### **Key dates**

Date of the offer: 5 February 2022

Expiry date of the offer: 9 March 2022

### **Right to cancel**

If you accept the offer but then change your mind, you have the legal right to cancel the agreement under the Financial Markets Conduct Regulations 2014 (provided you do so within the time frames referred to below).

To cancel the agreement, you must—

- do both of the following:
  - contact the offeror (see the offeror details below) and state that you want to cancel or withdraw from the agreement. You must do this within 10 Working Days after the date on which you accepted the offer; and
  - repay to the offeror the amount paid by the offeror to you under the agreement (if any). You must do this within 20 Working Days after the date on which you accepted the offer; or
- repay to the offeror the amount paid by the offeror to you under the agreement within 10 Working Days after the date on which you accepted the offer.

**Note:** A **Working Day** is a day of the week other than—

- a Saturday, a Sunday, Waitangi Day, Good Friday, Easter Monday, Anzac Day, Queen's Birthday, and Labour Day; and
- a day in the period commencing with 25 December in a year and ending with 2 January in the following year; and
- if 1 January falls on a Friday, the following Monday or, if 1 January falls on a Saturday or a Sunday, the following Monday and Tuesday; and
- if Waitangi Day or Anzac Day falls on a Saturday or a Sunday, the following Monday.

### **Offeror details**

CNP Investment Holdings LP, 22 Masons Ave, Herne Bay, Auckland 1011, [craig@pagetcapital.co.nz](mailto:craig@pagetcapital.co.nz). CNP Investment Holdings LP may nominate a related entity to acquire the First NZ Shares under the Offer. However CNP Investment Holdings LP will remain responsible for its obligations under this Offer, including payment.

### **Further important information**

The Financial Markets Authority (the **FMA**) regulates New Zealand's financial markets, which includes monitoring and enforcing compliance with the law relating to unsolicited offers. The FMA's main objective is to promote fair, efficient, and transparent financial markets. Further guidance for investors, including in relation to unsolicited offers and on how to find an authorised financial adviser, is available on the FMA's Internet site <http://www.fma.govt.nz>.

# Letter to First NZ shareholders from CNP Investment Holdings LP

Dear First NZ Shareholder

This is a follow-on offer ('Offer') from CNP Investment Holdings LP ('CNP') for your shares in First NZ Properties Limited ('First NZ' and 'First NZ Shares') at a price of **\$4.61** per First NZ Share (as adjusted for dividends/distributions/other matters as set out in the Offer Summary).

Like the previous offer, CNP must comply with the Financial Markets Conduct Regulations 2014 ('Regulations'). First NZ is not subject to the Takeovers Code. Instead, the Regulations require that this Offer is characterised as an 'unsolicited offer', and contain the various legal warnings set out earlier in this document.

## Background to this new \$4.61 Offer

CNP acquired 23.3% of First NZ at \$4.41 per share in late 2021 pursuant to a prior offer (being the \$4.50 headline offer price, less the ~9c November 2021 cash dividend). That earlier offer was over-subscribed, so CNP prioritised the acceptances on a first-come, first-served basis.

CNP also acquired additional First NZ shares outside the unsolicited offer framework. These purchases included the acquisition of 144,609 shares (~3.6% of the company) at \$4.61 per share, from two of First NZ's shareholders who were categorised as 'wholesale investors'.

Given the large number of First NZ shares acquired, CNP needed to raise capital from third parties to settle these transactions. In total, CNP (and its associates) now own 28.7% of First NZ.

## CNP is now seeking greater influence over First NZ

Now that CNP has ended up with such a large minority stake, has considerable capital at risk, and has its own investors, CNP has decided that it needs to protect its initial investment by using this follow-on Offer to seek effective control of First NZ.

First NZ is a widely held company with approximately 250 shareholders and no individual shareholders with more than 10%. This means it is likely that effective control of First NZ is materially less than a 50.1% shareholding, because many shareholders of widely-held companies tend not to vote. All things considered, CNP believes that a shareholding in the vicinity of 30-40% may deliver CNP effective control of First NZ, and allow CNP (together with its associates) to control the appointment of the board of directors.

The 750,000 First NZ Shares sought under this Offer represents an additional shareholding of 18.4%. This would increase the stake of CNP (together with its associates) to 47.2%. Taking up oversubscriptions would obviously increase CNP's ownership even further.

Assuming it is successful in gaining effective control, CNP's plans for First NZ currently include:

1. Re-constituting the First NZ Board as required, to ensure that CNP's director appointees are in the majority (this in no way reflects poorly on the current directors, who CNP believes are doing an admirable job in challenging circumstances). These appointments will likely add additional cost to First NZ, as directors fees will need to be paid by the company. CNP's expectation is that the Board will then pursue the strategies set out below;
2. Reviewing First NZ's dividend policy, to determine whether group earnings should be retained within the company to fund growth and address its litigation issues, rather than being paid out as dividends;
3. Pushing the company forward more aggressively, with a higher risk tolerance, including seeking out new investments and/or churning the existing portfolio;
4. Reviewing the First NZ capital structure, in order to determine whether debt should be employed to fund new acquisitions, or new equity raised, or both.

Although these strategies 2-4 will ultimately be a decision for the First NZ Board acting in the best interests of the company, the anticipated effect of these changes would be that First NZ becomes a higher risk investment which does not pay dividends for the foreseeable future while it pursues a growth strategy.

CNP appreciates that there will be mixed views among other First NZ shareholders as to these plans. Some shareholders may have a higher risk tolerance, be interested in contributing further capital to grow the Company, and/or happily forgo dividends (if that is the outcome of the capital structure and dividend

policy reviews). However, other shareholders may rely on these regular dividends and/or will be concerned about the possibility of having their shareholding diluted via a capital raising in which they are unable or unwilling to participate.

If you fall into the latter category, or have a lower risk appetite, then you may decide this is an appropriate time to sell.

### **First NZ's troubled history and ongoing issues**

All shareholders should be aware by now of First NZ's troubled history. These include the alleged fraud by the prior CEO, mismanagement and poor governance under the prior management regime, utilising family members as directors, undisclosed related party payments, unconsented major transactions, and the withdrawal of Directors & Officers insurance by First NZ's underwriter (this in itself is relatively rare). Finally, there is the limited liquidity for the First NZ shares on the Syndex platform.

Unfortunately, in December 2021 (after CNP made its original offer, and also after the November Fairness Opinion) First NZ advised shareholders of further bad news, being the lodgement of legal proceedings against a key property-owning subsidiary of First NZ. This was conveyed in a letter to shareholders dated 15 December 2021 (see: <https://www.fssmanagement.co.nz/wp-content/uploads/2021/12/First-NZ-Claim-against-Symonds110-Ltd-December-15-2021.pdf>). The Plaintiff is suing the First NZ subsidiary for breach of warranty and breach of the Fair Trading Act in relation to the aluminium cladding of a building at 110 Symonds St in Auckland, that was sold by that First NZ subsidiary in 2019. CNP understands that the cost to remedy the cladding issue may be in the vicinity of \$3m.

This litigation against First NZ is in itself very disappointing. Regardless of the litigation's merits (which CNP expresses no opinion on), litigation is never a good thing. Perhaps more concerning though, is that this latest lawsuit raises further questions as to whether there may be additional legacy issues that have not yet surfaced. The possibility of these unknown risks, harking back to the prior management regime, is presumably a contributing factor to the inability of the First NZ directors to obtain Directors & Officers insurance.

### **Seismic problems persist at First NZ's Christchurch property**

A second pressing concern for First NZ are the issues around its Sheffield St property in Christchurch. According to Colliers (in its October 2021 valuation), some of this property's problems include:

1. Low seismic capacity of just over 20% NBS;
2. No natural disaster insurance cover protecting against earthquake damage; and
3. The building is specialised, and may prove difficult to lease if the current tenant defaults or does not renew (in CNP's opinion, the tenant operates in a challenging industry, as evidenced by a previous incarnation of the tenant going into receivership in 2014).

When this property was valued by Colliers in October 2021, the valuation deducted the (July 2020) estimated cost of the seismic repairs, being \$2.08m. However, that was very much a high level estimate, with the report at that time noting that 'these figures are still very approximate and would need to be reviewed by a quantity surveyor as detailed design is carried out...'. To the extent that the more detailed quantity surveyor cost estimate currently being sought by First NZ results in a considerable higher cost estimate (at very least the cost of construction materials has increased significantly since then), this would presumably imply a materially lower property valuation.

### **Macro issues**

In addition to the First NZ-specific issues noted above, since CNP's earlier First NZ offer was finalised and sent to the Board on 6 October 2021, domestic interest rates and inflation have risen materially, the NZX50 Gross Index has dropped by approximately 8.5%, and NZ is now facing an Omicron outbreak. CNP considers that all of these factors have negative connotations for the value of the First NZ Shares.

### **Why are First NZ's problems relevant to this Offer?**

As is obvious from the above, First NZ is unfortunately no 'ordinary' company. Rather, it faces a litany of issues, with accompanying risk to shareholders. In CNP's view, these greater-than-usual potential risks means it is inappropriate to apply standard, business-as-usual valuation principles (such as those used in the November 2021 Fairness Opinion) to a troubled company like First NZ. For example, one valuation methodology the Fairness Opinion uses is the Net Realisable Value method, which assumes a hypothetical

windup over 6-12 months. However, there is no suggestion this will occur (CNP would not support it) and in any event the litigation problems facing First NZ may take a number of years to be concluded.

For the above reasons, CNP believes the most appropriate valuation benchmarks for First NZ are actual, real-world, arms-length transactions in First NZ Shares. Recent such transactions include:

1. The acquisition by CNP of a large minority stake in First NZ at \$4.41 per share; and
2. The acquisition by CNP of 144,609 shares (being ~3.6%) at \$4.61 per share, from two of First NZ's larger shareholders who are 'wholesale investors'.

This latter transaction, in which both of the selling shareholders were 'wholesale investors' under the Financial Markets Conduct Act 2013, is the transaction on which CNP has based this Offer. In CNP's opinion, the representatives of both of these wholesale investors were relatively sophisticated (one was a financial adviser) and had a good understanding of First NZ's problems and future prospects. As First NZ shareholders, these wholesale investors also had access to the November 2021 Fairness Opinion.

## Contact

Thank you for taking the time to consider this Offer carefully. If you have any questions, please email me at [craig@pagetcapital.co.nz](mailto:craig@pagetcapital.co.nz), or call me on 021 615 625.

Yours sincerely

Craig Priscott  
On behalf of CNP Investment Holdings LP

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## OFFER SUMMARY

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CNP is offering to acquire some or all of your First NZ Shares on the following terms and conditions:

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<b>Offer Price</b>	<b>NZ\$4.61</b> in cash for each First NZ Share that you choose to sell, less all gross distributions/dividends (but excluding imputation credits) per share – either paid to you, declared by First NZ, or with a record date – between 24 January 2022 (the “Reference Date”) and the Payment Date (for each seller).
<b>Other Adjustments to Offer Price</b>	<p>It is possible (albeit unlikely) that after the Reference Date, First NZ announces or completes a share split or consolidation, a share buyback or redemption or cancellation, an issue of new securities, or some other event (other than a distribution/dividend that has already been taken into account above) that changes the capital structure of First NZ in some way (such as increasing or decreasing the number of shares outstanding, and the value per share).</p> <p>If such an event will become effective or have a record date prior to the Payment Date (for each seller), then the Offer Price will be adjusted such that it remains at the same % of Net Asset Value per First NZ Share immediately after the event that it was immediately prior to the event (i.e. the economic terms of the Offer for shareholders and CNP remain substantially the same as they would have been had the relevant event not occurred). CNP will advise shareholders if it becomes aware of such an event, with relevant details as to any Offer Price adjustment.</p> <p>If one or more of these events occurs, but for any reason is not factored into the price paid by CNP to a selling investor (either because CNP was not aware of it, or otherwise), then the selling shareholder agrees to pay or transfer or otherwise account to CNP for the right, benefit or entitlement or payment received in relation to the relevant First NZ Shares.</p> <p>For clarity, nothing in this section limits CNP's reliance on the Offer Conditions and any waiver of the Offer Conditions will not be a waiver of any adjustment to the Offer Price under this term unless CNP expressly determines otherwise.</p>
<b>No Brokerage Cost</b>	There are no brokerage costs. You will receive the Offer Price in full.
<b>Offer Period</b>	The Offer is dated 5 February 2022 (“ <b>Offer Date</b> ”) and remains open for acceptance until 4pm on 9 March 2022 (“ <b>Closing Date</b> ”). CNP reserves the right to take up acceptances under the Offer that are received after the Closing Date, but is not obliged to.
<b>Payment Date</b>	CNP reserves the discretion to make payment at any time after receiving an accepting shareholder's Acceptance and Share Transfer Form. Regardless, all payments must occur no later than 31 March 2022. Payment will be made to the bank account specified by you (either in the Acceptance and Share Transfer Form or otherwise).
<b>Total Offer</b>	The Offer is for 750,000 First NZ Shares, being 18.448% of the First NZ Shares on issue. <b><u>There is no minimum acceptance condition.</u></b>
<b>Oversubscriptions</b>	If CNP receives total acceptances in excess of the Total Offer, CNP may accept oversubscriptions at its sole discretion up to a further 2,000,000 shares (so up to 2,750,000 First NZ Shares in total). If there are oversubscriptions, CNP will deal with all acceptances at its sole discretion.
<b>Change in number of First NZ Shares</b>	If for any reason the number of First NZ Shares outstanding changes prior to the Payment Date, then the number of Shares for which CNP is offering under the Total Offer and Oversubscriptions will change such that the same proportionality is retained (i.e. that the Total Offer by CNP is still for 18.448% of the total shares on issue in First NZ, and similarly for oversubscriptions).

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<b>Constitutional Limitations</b>	The limitations in the First NZ Constitution allow the board to refuse to register transfers which would see a holder left with less than 3,000 First NZ Shares. Therefore, you should ensure you are left with either no First NZ Shares, or at least 3,000 First NZ Shares.
<b>How to ACCEPT</b>	To accept the Offer, complete the Acceptance and Share Transfer Form and email it to <a href="mailto:craig@pagetcapital.co.nz">craig@pagetcapital.co.nz</a> . Alternatively, you can mail the form using the envelope enclosed (bear in mind Covid-19 post delays).
<b>How to DECLINE</b>	To decline the Offer, just ignore these documents and do nothing.
<b>Offer Conditions</b>	The Offer is subject to the conditions below. Any or all of the conditions can be waived in whole or in part by CNP at its absolute discretion.
<b>Change of Mind</b>	You may withdraw your acceptance of this Offer up until 10 working days after the date you accepted it.
<b>No Transfer</b>	If First NZ does not register the change of share ownership to CNP within 7 Working Days of payment, at the discretion of CNP the transaction shall be cancelled and any monies refunded to CNP.
<b>Withdrawal of Offer</b>	CNP may only withdraw this Offer with the permission of the Financial Markets Authority.
<b>Legal Adviser to CNP</b>	Russell McVeagh
<b>Contact Information</b>	For questions about the Offer or the Acceptance and Share Transfer Form, please contact Craig Priscott, 021 615 625, <a href="mailto:craig@pagetcapital.co.nz">craig@pagetcapital.co.nz</a> .

## OFFER CONDITIONS

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For clarity, the terms and conditions in the Acceptance and Share Transfer Form comprise part of the terms and conditions of the Offer, in addition to the terms and conditions set out below. Each condition below must be satisfied or waived by CNP (in its absolute discretion) by the Payment Date (for each seller). For the purposes of these conditions, a reference to 'First NZ' also includes any subsidiaries of First NZ.

1. None of the First NZ Shares are reclassified, subdivided, consolidated, redeemed or bought back by First NZ, no further shares, options, or other securities of any nature of First NZ are issued or made the subject of any option or agreement to issue, and there is no alteration of the rights, privileges or restrictions attaching to any First NZ Shares;
2. The business of First NZ is carried on in the normal and ordinary course and no unusual or abnormal payments or liabilities (including contingent liabilities) are made or incurred by First NZ;
3. None of the assets of First NZ are disposed of, or made the subject of any option, and no material contracts are entered into (such as a contract to acquire a property or shares, the management contract with FSS Management Limited, or a litigation settlement agreement), or materially varied, by First NZ;
4. No asset of First NZ is destroyed or damaged to an extent which materially affects the carrying on of the business of First NZ;
5. There is no alteration to the constitution of First NZ (including its subsidiaries) or FSS Management Limited;
6. No liquidator, receiver, receiver and manager, administrator (voluntary or otherwise), statutory manager or similar official is appointed to First NZ or is appointed in relation to any of its assets, and no proceedings or other action to appoint any such party is commenced or taken;
7. No resolution is passed for any amalgamation or liquidation of First NZ and First NZ is not involved in, or subject to, any other unsolicited offer, takeover offer, merger, share buyback, share split or consolidation, share redemption or scheme of arrangement (or any agreement or proposal relating to the foregoing occurs);
8. There being no event, change, circumstance or condition that has occurred on or after the Offer Date that has had, or could reasonably be expected to have, in the opinion of CNP, a material adverse effect as compared with the position absent the event, change, circumstance or condition. A material adverse effect would include (without limitation) any independent report received by First NZ on the cost of the seismic works at First NZ's Sheffield St property concluding that the cost of the seismic works required to increase the NBS to 67% or greater is materially higher than the current estimate of \$2.08m, any default or breach of a First NZ lease by a First NZ tenant, the insolvency of one of First NZ's tenants, the termination of one of First NZ's leases, and/or any material reduction in the amount of rent paid or payable in relation to a First NZ property by a First NZ tenant (whether due to Covid-19 restrictions or otherwise);
9. No proceedings, other than any which have commenced prior to the Offer Date, being notified, threatened or commenced against First NZ and there is no material increase in the scope or quantum of any claim made under any of the existing proceedings against First NZ;
10. No assets of First NZ are, or could reasonably be, subject to any option, forfeiture or termination, transfer, any right of pre-emption, or any other right that could be adverse to First NZ or CNP in the event of an increase in CNP's shareholding in First NZ;
11. No event of default, potential event of default, repayment event, prepayment event or event of review (however described) under any agreement or instrument to which First NZ is subject occurring, or will occur, as a consequence of an increase in CNP's shareholding in First NZ;
12. There is no order issued by any court of competent jurisdiction in New Zealand, any regulator or other legal restraint or prohibition making implementation of this Offer, or any aspect of it, void, unenforceable or illegal;
13. The S&P/NZX 50 Index (Gross) does not close below 11,750 on any day between the Offer Date and the Payment Date;
14. The S&P/NZX All Real Estate Index does not close below 1,775 on any day between the Offer Date and the Payment Date.

If the Offer does not become unconditional before the Payment Date, it will lapse and all Acceptance and Share Transfer Forms received by CNP will be cancelled and of no effect. CNP will advise accepting shareholders if the Offer does not become unconditional. If there is an inconsistency between the terms and conditions of the Offer and the provisions of (or the application of the provisions of) the Financial Markets Conduct Regulations 2014 the provisions of (or the application of the provisions of) the Financial Markets Conduct Regulations 2014 will prevail.

## ACCEPTANCE AND SHARE TRANSFER FORM – First NZ follow-on Offer

<OWNER>  
<ADDRESS 1>  
<ADDRESS 2>  
<ADDRESS 3>  
<ADDRESS 4>  
<ADDRESS 5>

**Number of First NZ Shares held:**  
(as at 28 January 2022)

<SHARES>

**Holder number:**

<HOLDER NUMBER>

**IMPORTANT:** This form, and the accompanying document, are important documents and require your attention. Please read them carefully.

### WHAT IS THIS FORM FOR?

This Acceptance and Share Transfer Form is to be used to accept the Offer detailed in the accompanying document from CNP Investment Holdings LP ("**CNP**") to purchase shares ("**First NZ Shares**") in First NZ Properties Limited ("**First NZ**").

If you wish to accept the Offer, please complete and return this Acceptance and Share Transfer Form in accordance with the instructions below. If you do not wish to sell your First NZ Shares, you do not need to take any action.

Beneficial ownership of, and title to, the First NZ Shares which are the subject of an Acceptance and Share Transfer Form shall pass to CNP, and the registration of the transfer of those First NZ Shares shall take place, contemporaneously with the payment for such First NZ Shares being made in accordance with the Offer.

### TERMS OF ACCEPTANCE AND POWER OF ATTORNEY

By signing this form, you:

- accept the Offer for the number of Shares in the box below labelled "Number of First NZ Shares you wish to sell" ("**Accepted Shares**"), subject to the terms of the Offer, and transfer title to the Accepted Shares to CNP or its nominee;
- without limitation to any other matter, you undertake, represent and warrant to CNP that:
  - a) you are the sole legal and beneficial owner of the Accepted Shares, or are the legal owner and have the necessary power, capacity and authority to sell and transfer any or all of the Accepted Shares;
  - b) to the extent required by CNP pursuant to the terms of the Offer you will pay, transfer or account to CNP for benefits on the Shares accruing on or after the Reference Date as provided for in the column titled "Other Adjustments to Offer Price";
  - c) legal and beneficial title to all of the Accepted Shares which are taken up by CNP will pass to CNP, free of all security interests, charges, liens, mortgages, encumbrances and adverse interests and claims of any kind;
  - d) you will not, and will not attempt to, directly or indirectly, sell, transfer, or dispose of (or agree to do any of those things), any or all of the Accepted Shares (other than in accordance with this form); and
  - e) you irrevocably instruct First NZ to refuse to register any transfer of any or all of the Accepted Shares except for transfers to CNP pursuant to this form;
- confirm to CNP that this form has been duly and validly completed and signed;
- confirm and certify to CNP (for the purposes of section 95(5) of the Companies Act 1993) that any share certificate relating to the Accepted Shares has been lost or destroyed or will be destroyed by you immediately following beneficial ownership to the Accepted Shares passing to CNP in accordance with the terms hereof and irrevocably indemnify First NZ and each director of First NZ against any losses that arise from or in connection with your certification and confirm that you will promptly provide any further indemnity required by the First NZ Board in this regard; and
- authorise CNP, in its discretion, to treat any Acceptance and Share Transfer Form as valid, and to rectify any errors in, or omissions from, your Acceptance and Share Transfer Form to enable that form to constitute a valid acceptance of the Offer and to facilitate the transfer of your First NZ Shares.

### NUMBER OF SHARES

**Number of First NZ Shares you wish to sell:**

Notes - If you wish to accept the Offer and:

- If you hold less than 3,000 First NZ Shares, you should accept the offer for all of your First NZ Shares
- If you are only selling a portion of your shares, you should not leave yourself with less than 3,000 First NZ Shares (as the Board may not allow the transfer of your First NZ Shares to be registered).

**SIGN HERE****FOR AN INDIVIDUAL, TRUSTEES, OR HOLDER OF POWER OF ATTORNEY**

Your signature(s) / signature(s) of your attorney(s):

**FOR A COMPANY**

Signed on your behalf by:

Director/Authorised Signatory(ies)

Dated and signed on the \_\_\_\_\_ day of \_\_\_\_\_ 2022

**CONTACT DETAILS OF SELLER (IN CASE OF QUERIES)**

Phone Number:

( )

Email Address:

@

**PAYMENT DETAILS**

Payment in NZD will be made electronically directly into the New Zealand bank account that you specify below.  
**If possible, please specify the same bank account that your First NZ dividends are paid into. Please print the bank account number so that it is clearly visible. CNP will not be liable for your errors.**

Account Name:

Account Number:

<i>Bank</i>	<i>Branch</i>	<i>Account Number</i>	<i>Suffix</i>
[ ][ ]	[ ][ ][ ][ ]	[ ][ ][ ][ ][ ][ ][ ][ ][ ]	[ ][ ][ ]

Bank Name:

Branch and Address:

**NOTES AND INSTRUCTIONS FOR COMPLETION**

- SIGNATURES:** Individuals, trustees and attorneys should sign and date this form where marked. Companies must sign in accordance with the Companies Act 1993 and their constitution (if any).
- PAYMENT:** CNP has no responsibility to verify any bank account details for you.
- JOINT HOLDERS:** If the Offered Shares are registered in the names of joint holders (including where there are multiple trustees of a trust), all holders must sign this form, except where the form is signed by an agent and/or attorney.
- POWER OF ATTORNEY:** If the form is signed under a power of attorney, the relevant power of attorney must be submitted with this form for noting and return. The certificate of non-revocation of power of attorney printed on this form must be completed, unless the attorney is a body corporate, in which case the attorney must sign and attach a certificate of non-revocation of power of attorney in the form set out in the Property Law Act 2007.
- SENDING IN YOUR ACCEPTANCE:** Email the completed Acceptance and Share Transfer Form to [craig@pagetcapital.co.nz](mailto:craig@pagetcapital.co.nz) or put it in the enclosed pre-addressed and prepaid envelope and mail it as soon as possible, but in any event so as to be received not later than 4pm on the Closing Date.
- INTERPRETATION:** A reference to "you" is a reference to the registered shareholder(s) printed at the head of this form and, accordingly, references to you in the singular shall include the plural. Capitalised terms used but not defined in this form have the meanings given to them in the accompanying document.

If you have any questions in relation to this form, please email [craig@pagetcapital.co.nz](mailto:craig@pagetcapital.co.nz) or call Craig Priscott on 021-615-625.

**CERTIFICATE OF NON-REVOCATION OF POWER OF ATTORNEY (TO BE COMPLETED ONLY IF ACCEPTANCE & SHARE TRANSFER FORM SIGNED UNDER POWER OF ATTORNEY)**

If this form is signed under a power of attorney by one or more individuals, the attorney(s) signing must sign the certificate of non-revocation of power of attorney set out below. If the attorney is a body corporate, it must sign and attach a certificate of non-revocation of power of attorney in the form set out In the Property Law Act 2007.

I,  of   
(Full name of attorney) (Place and country of residence, and occupation)

certify:

1. That by deed  day  of  /  ,  of   
dated the  of  (Full name of person for whom attorney is signing) (Place and country of residence of person for whom attorney is signing)

appointed me his/her/its attorney.

2. That I have not received any notice of any event revoking the power of attorney.

Signed at  this  day of  2022

(Signature of attorney)