

FIRST NZ PROPERTIES LTD



This quarterly Management Report (“Report”) provides key information about First NZ Properties Ltd. This report covers the period between 01 October to 31 December 2023.



Third Quarter, FY 2024

31 January 2024

Dear Shareholder

FIRST NZ PROPERTIES LIMITED (COMPANY) - SHAREHOLDER UPDATE

Sheffield Crescent Property Limited, a subsidiary of First NZ Properties Limited

15 Sheffield Crescent, Christchurch.

- The current term of the lease ends in November 2024, however there are four 3-year rights of renewal through until 2036.
- The rent is due to be reviewed upon the lease renewal in 2024.
- Marketing/sell proposals have been sought from 3 real estate agents with a possible view of marketing the property for sale on the open market.

All rent, insurance premiums and recharges are up to date.

Symonds110 Ltd, a subsidiary of First NZ Properties Limited

202 Rangitikei Street, Palmerston North.

- **Harvey Norman Ltd.** Rent Review 27th Oct 2024, Lease Renewal 27th Oct 2026, Final Lease Expiry 27th Oct 2031.
Full rent, opex and all recharges are being paid.
- **Bed Bath and Beyond.** Rent Review 1st Dec 2024, Lease Renewal 1st Dec 2026, Final Lease Expiry 1st Dec 2036.
Full rent, opex and all recharges are being paid.
- **Price Busters (Uncle Bills Discount Store).** Rent Review 5th April 2024, Lease Renewal 5th April 2027, Final Lease Expiry 5th April 2033.
Full rent, opex and all recharges are being paid.

Dividends

The First NZ Properties Limited directors, on the 24 October 2023, resolved to pay a dividend of 11 cents (gross). This was paid on the 14 November 2023 to the shareholders who were registered on the share register on 24 October 2023.



Unaudited Financial Report as at 31 December 2023

Below is the unaudited update of the company's financial information.

- This information is directly from our Xero accounting system as at 31 December 2023.

| Financial information summary | 2024 (1 April to 31 Dec 2023) | 2023 (1 April to 31 Dec 2022) |
|--------------------------------------|--------------------------------------|--------------------------------------|
| Gross rental income | \$ 1,507,693 | \$ 1,498,574 |
| Net profit before tax (NPBT) | \$ 883,538 | \$ 704,920 |
| Total assets | \$24,469,171 | \$ 28,114,248 |
| Total liabilities | \$ 274,860 | \$ 235,223 |
| Ending equity | \$24,194,311 | \$ 27,879,024 |

High Court Proceedings

High Court – Heard in the Nelson High Court 1 to 9 May 2023 with final submissions in Wellington on 12 May 2023. The Company has claimed approximately \$2.1m and ISL counter claimed \$124,000.

We are awaiting judgement and are not sure when this outcome will be available.

Symonds110 Limited

Symonds110 Limited along with Michael Millar and Paul Mephan have had a claim in the High Court in Auckland issued against them. It is alleged that by failing to disclose the existence of a letter from the Auckland City Council regarding the aluminium composite cladding (**ACP**), there has been a breach of the warranties in the agreement for sale and purchase.

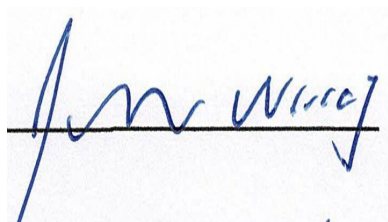
A statement of defence has been filed denying any liability whatsoever. It is not expected that there will be any hearing on the substantive claim until later in 2025.

Change of Address

If you have had a change of residential address, email address or cell phone number please advise us by emailing the update to paul@fssmanagement.co.nz

If you require any further information, please contact us on info@fssmanagement.co.nz .

Yours faithfully



John Murray
Chair