

Superstore Properties Ltd
PO Box 9013
Annesbrook
Nelson

17 May 2024

Notice to Shareholders – Superstore Properties Limited – High Court judgment.

- 1 Judgment has issued for Superstore Properties Limited’s High Court claim against Michael Millar and Investment Services Limited (**ISL**). A high-level summary for shareholders is set out below.
- 2 The Court has entered judgment in favour of Superstore. Justice Gwyn recorded:

[335] ...Mr Millar had placed himself in a position where his duties to Superstore and his personal interests conflicted. He was in breach of his fiduciary and statutory obligation to act in good faith and in the best interests of Superstore. He also breached his duty not to profit from his position as a director and not to act for his own benefit, or the benefit of a third party (ISL) without the informed consent of his principal. He did not obtain that informed consent. ...
- 3 Superstore’s legal team are reviewing the judgment. As a pinpoint summary, the Court has held:
 - 3.1 ISL breached its written management agreement with Superstore;
 - 3.2 Mr Millar breached his fiduciary and statutory duties owed to Superstore.
- 4 The Court has entered judgment against each of Mr Millar and ISL in summary as follows:
 - 4.1 Against Mr Millar in the sum of **\$656,394.52 plus GST**.
 - 4.2 Against ISL in the sum of **\$656,394.52 plus GST**.
- 5 The Court has also awarded interest on these judgment sums in favour of Superstore. Superstore will also seek costs against ISL and Mr Millar in amounts to be fixed by the Court. Those sums will be significant.

The full High Court decision will be posted on the FSS Management website under FSSManagement/About/Shareholder Information/Current Communications.

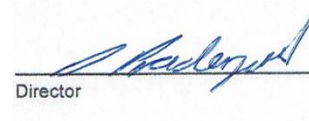
If you have any queries, please contact info@fssmanagement.co.nz.

Yours faithfully



Director

John Murray
Chair



Director

Damien Prendergast