

# FIRST NZ PROPERTIES LTD



This quarterly Management Report ("Report") provides key information about First NZ Properties Ltd. This report covers the period between 01 January to 31 March 2025.



Fourth Quarter, FY 2025

13 May 2025

Dear Shareholder

## FIRST NZ PROPERTIES LIMITED (COMPANY) - SHAREHOLDER UPDATE

### Symonds110 Ltd, a subsidiary of First NZ Properties Limited 202 Rangitikei Street, Palmerston North.

- **Harvey Norman Ltd.** Rent Review 27th Oct 2025, 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 2026, Lease Renewal 1st Dec 2031, Final Lease Expiry 1st Dec 2036.  
Agreement was reached with the tenant to forego the rent increase (1 Feb 2025) in lieu of their early agreement to renew the lease now for the 5 year period ending 2031.  
Full rent, opex and all recharges are being paid.
- **Price Busters (Uncle Bills Discount Store).** Rent Review 5th April 2026, Lease Renewal 5th April 2027, Final Lease Expiry 5th April 2033.  
In accordance with the lease the rent has increased by 1% from April 2025.  
Full rent, opex and all recharges are being paid.
- Property and surrounding area generally in good condition.

### Sheffield Crescent Property Limited (in Liquidation)

The Company has ceased business.

The shareholder decided to liquidate the Company and appointed Geoffrey John Falloon of Nelson to act as liquidator of the Company. The liquidator was appointed on 6th January 2025.

Liquidation is now complete and the company was removed from the NZ Companies Register on 28 March 2025. All assets have been passed through to First NZ Properties Ltd.

### Dividends

The Directors will review the end of year financial statements before any decision is made about a dividend. This will allow the decision to be made in May/June.

### Unaudited Financial Report at 31 March 2025

Below is an unaudited update of the company's 12-month financial information. This information is directly from our Xero system as at 31 March 2025.



It is expected that there will be changes to these numbers following an update to the year-end accounts. These are preliminary and are for information only. Confirmed numbers will be available following the audit by BDO Christchurch.

Financial information summary	2025 (1 Apr to 31 Mar 2025)	2024 (1 Apr to 31 Mar 2024 for comparison)
Gross rental income	\$ 1,175,515	\$ 2,157,619
Net profit before tax (NPBT)	\$ 239,178	\$ 1,322,975
Ending equity	\$ 19,712,613	\$ 24,788,311

The funds from the High Court judgment have been received and are held In trust by Duncan Cotterill Lawyers. This is the judgment amount plus costs and disbursements.

The amount of \$2,187,011 is held in trust and this amount is not included in the numbers above.

### **Court of Appeal**

The judgment of the High Court, dated 16 May 2024, was appealed to the Court of Appeal by M Millar, P Mephan and Investment Services Ltd.

First NZ opposed the appeal. The hearing took place on 2 April 2025.

The \$183,200 for excess management fees and the GST content were withdrawn before the appeal was heard. During the hearing that part of the appeal relating to the gain fee on the Kilmore Street property was abandoned by the lawyers for Michael Millar and ISL.

The Court of Appeal reserved its decision.

### **Symonds110 Limited**

Symonds110 Limited along with Michael Millar and Paul Mephan have had a claim in the High Court in Auckland issued against them. The claim is in relation to the aluminium composite cladding (ACP) which the purchaser of the building alleges has caused the loss of a tenant and that the ACP will need to be replaced. It is alleged that by failing to disclose the existence of a letter from the Auckland City Council regarding the ACP there has been a breach of the warranties in the agreement for sale and purchase. The claim does not specify exactly what the damages claim is, however, it is primarily focused on the loss of resale which they say is attributable to the ACP.

A statement of defence has been filed denying any liability whatsoever. We have engaged expert valuation, building surveyor assistance and specialist fire experts. In the meantime, the key director of the purchaser has passed away, which has caused a delay in the purchaser providing its evidence to Symonds110 Limited.

A trial in the High Court at Auckland has been scheduled for two weeks in September 2025 and the delay in receiving the evidence has been brought to the Courts attention.

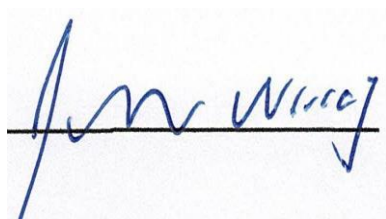
### **Annual General Meeting**

This year the AGM will be held in Nelson on Friday 12 September 2025.

The meeting will be at De Lorenzo Motel, Rutherford Street, Nelson in the meeting room.

If you require any further information, please contact us on [info@fssmanagement.co.nz](mailto:info@fssmanagement.co.nz) .

Yours faithfully



**John Murray**  
Chair