

Annual Report for the year ended 31 March 2025

Superstore Properties Limited

Prepared by RWCA Limited

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Report of the Directors to the Shareholders

The Directors of Superstore Properties Limited are pleased to present the 2025 Operating Results and Annual Report for the 12 months ended 31 March 2025.

Activities

The Company is involved in the Commercial property rental business.

Market Commentary and Management report

The commercial property market in New Zealand during this financial period was shaped by a combination of global economic factors, local economic conditions, and ongoing trends in the real estate sector.

New Zealand's GDP contracted through this period, with economic activity slowing down, especially in the wake of global economic uncertainties. Economic factors like high interest rates, inflation, and a cautious investment environment shaped much of the market, while the drive towards sustainability and eco-friendly buildings became increasingly central to many new developments and investment strategies.

Business sentiment was cautious however there was a recovery in consumer confidence by the end of 2024, especially in retail and hospitality.

By the end of the 2024–2025 period, there was a cautiously optimistic outlook for New Zealand's commercial property market. As inflationary pressures began to ease, interest rates were expected to stabilize, which would encourage more investment in the latter half of 2025.

Superstore Properties Ltd is managed by FSS Management Ltd (FSS). This is the fifth year of providing services which includes property and administration management. FSS is partially owned by Superstore Properties Ltd (41%) and the other shareholder is First NZ Properties Ltd (59%). FSS charges a fee of 9% on the net rental from the properties and 0.8% per annum of the funds held in bank accounts. FSS returns any excess profit by way of rebate at the end of the financial year.

In December 2020 proceedings were issued in the High Court (Nelson Registry) against Michael Millar, Investment Services Limited (ISL). Initially the claims related to the fraud and undisclosed payments made to ISL. The claims against Michael Millar are for breaches of his directors and fiduciary's duties. The fraud aspect of the claim was settled and a payment of \$463,959.79 was received in February 2022.

During the 2022 to 2023 period, the Directors worked with Duncan Cotterill Lawyers on the case. They also supplied briefs of evidence, reviewed the defendant's evidence, and in May 2023 appeared in the Nelson High Court before Justice Gwyn and gave evidence. The hearing ran from 1 May 2023 to 9 May 2023 with closing submissions given at the Wellington High Court on 12 May 2023.

On 16 May 2024, the Court entered judgement in favour of Superstore Properties Ltd.

- The Court held:
 - ISL breached its written management agreement with Superstore;

- Mr Millar breached his fiduciary and statutory duties owed to Superstore.
- The Court entered judgment against each of Mr Millar and ISL in summary as follows:
Against Mr Millar in the sum of \$656,394.52 plus GST. Against ISL in the sum of \$656,394.52 plus GST.
- The Court awarded interest on these judgment sums in favour of Superstore.
- Superstore sought costs against ISL and Mr Millar in amounts to be fixed by the Court.
- ISL's counterclaim against Superstore (including our alleged repudiation) failed, as did all affirmative defences pleaded by ISL and Mr Millar.

In June 2024, the Company was advised that the judgment of the High Court had been appealed to the Court of Appeal. This was heard in the Court of Appeal on 2 April 2025.

The parts of the High Court judgment appealed are the findings that:

1. ISL/Michael Millar were liable for the sum of \$644,945.26 plus GST for management fees.

The appeal was opposed by Superstore.

The Court of Appeal released its decision in the case of *Investment Services Limited, Michael Millar & Paul Mephan v First NZ Properties Limited & Superstore Properties Limited* on 11 June 2025.

The Court allowed ISL's appeal in both contract and knowing receipt on the basis that all property management services provided to Superstore were paid by ISL from within the management fee (pursuant to the Management Agreement) and all it did was profit from the terms of its fee arrangements with Superstore.

The Court of Appeal agreed with the High Court that Mr Millar's responsibilities as a director of Superstore "conflicted profoundly" with his responsibilities to ISL. Mr Millar did not separate his responsibilities to Superstore and ISL, nor did he consider how his conflicts of interest could be managed. The Court dismissed Mr Millar's appeal accordingly.

Mr Millar remained liable to Superstore in the sum of \$644,945.26 (plus GST). No costs order was made.

The effect of this on the High Court award was zero. Superstore retained the full amount awarded to it by the High Court. The judgment from the Court of Appeal confirmed that Superstore Properties Ltd has a right to receive a settlement of \$1,131,155.

315-321 Cranford Street, Christchurch

Placemakers renewed their lease to 2028 in 2022, with two further rights of renewal to 2040. A Detailed Seismic Assessment (DSA) report was undertaken by DHC Consulting Group in September 2024. An increased risk has become apparent with the building being reported as being below 34%NBS. An engineer is completing a risk analysis of each building element and this report is expected later in 2025. There are no specific areas of safety concern and Placemakers are adequately approaching all Health & Safety issues.

Structex Ltd have provided a quote for detailing, and overseeing the strengthening works in the DSA report, to bring the building up to 70% NBS. They anticipate the cost of the works and fees to total \$300,000 to \$400,000 + GST.

The Christchurch City Council have advised that they are considering a Plan Change that will affect Heavy and General Industrial properties near residential zones. 319 Cranford St is classed as General Industrial and has residential properties to both front and rear. The change would only apply to new applications for change of use. The Company has appointed B&A Urban and Environmental to advise. They have lodged an initial submission with the Council.

A rent review was due on 7th February 25. The 31 March 2025 Market Valuation includes a rental assessment at \$760,140 per annum. which is well above current rent of \$625,000 per annum. This review is currently being negotiated.

The Company has reached agreement with IAG relating to the floor and it was settled in August 2025. The amount is confidential but will be disclosed as required by law in next year's annual accounts.

483 Cameron Road, Tauranga

In November 2023 shareholders were advised that the Company had entered into a conditional sale and purchase agreement. In February 2024, the sale became unconditional with Tauranga City Council and settled on 31 May 2024.

The property was sold for \$18.0m and the uplift of \$900,000 was recognised in the 2023-24 financial accounts. However the costs associated with the sale are now recognised in the 2024- 25 accounts. Therefore the amount expensed to achieve the sale has an impact on the profit for 2024 – 2025.

The value of the property in the 2023-24 accounts of \$18m was the sale price and the sale was unconditional. At that time the market was continuing to decrease in the region. The assessed market range at that time was \$16.5m to \$16.7mm which suggests that the market uplift would have been more in the range of \$1.3 to \$1.5m.

Cameron Road Properties Ltd (Subsidiary of Superstore Properties Ltd) has ceased business and was put into liquidation on 6 January 2025. Liquidation is now complete and the company was removed from the NZ Companies Register on 2 April 2025. All assets were passed through to Superstore Properties Ltd.

Financial Information

The Company's Gross Rental Income from Cranford Street, Christchurch property this year was \$602,561, (2024 \$602,561).

The Rent Income from Cameron Road, Tauranga property for the year as recorded in Discontinued Operations, note 12, was \$160,172 (2024 \$961,033). This property was sold on 31 May 2024. The sale created a deferred tax adjustment and this amount, \$551,745, has been included in the Rental Income which totals \$711,917 for the company.

When the two properties have their total rental income and revenue combined, the annual total is \$1,314,478. (2024 \$1,563,594). This is a decrease of 15.9% on the 2024 total as Cameron Road property was sold two months into the financial year.

The Group Profit/(Loss) after Tax for the year is (\$60,032) (2024 \$700,152).

Major items affecting the Statement of Profit and Loss:

- In the 2023-24 financial year the Cameron Road property gain on sale value (2024 \$900,000) was taken into the accounts as the sale was unconditional. However the property was sold on 31 May therefore the costs related to the sale are in this financial year's accounts. The cost total was \$622,000.
- The judgment from the Court of Appeal, refer note 6, was released on 11 June 2025. The ruling confirmed that Superstore Properties Ltd has a right to receive a settlement. Therefore the sum of \$1,131,155 has been included as Other Income in this financial year.
- The Cranford Street, Christchurch property has been written down to \$8,000,000 for the year which is a \$625,000 decrease (2024 -\$375,000)
- The sale of Cameron Road property has created a deferred tax adjustment and this amount, \$551,745, has been included in the Income and Revenue. Note 12.
- The associated cost relating to the liquidation of Cameron Road Properties Ltd are included in these accounts. The company was withdrawn from the Companies Office Register on 2 April 2025.
- The increase in the tax provision to \$403,962 (2024 \$94,093). This relates to the Court of Appeal funds.
- The finance costs were a total of \$120,475 (2024 \$ 797,058). The ANZ loan was repaid in full when the funds were received from the sale of the Cameron Road property on 31 May 2024. The balance of the funds was invested into the ANZ on term deposits which resulted in receiving income of \$263,568 (2024 \$4,904).

Investment Properties

Cranford Street, Christchurch is now the only investment property held by the Group. Cranford Street property is valued at \$8,000,000 (2024 \$8,625,000) a reduction of \$625,000.

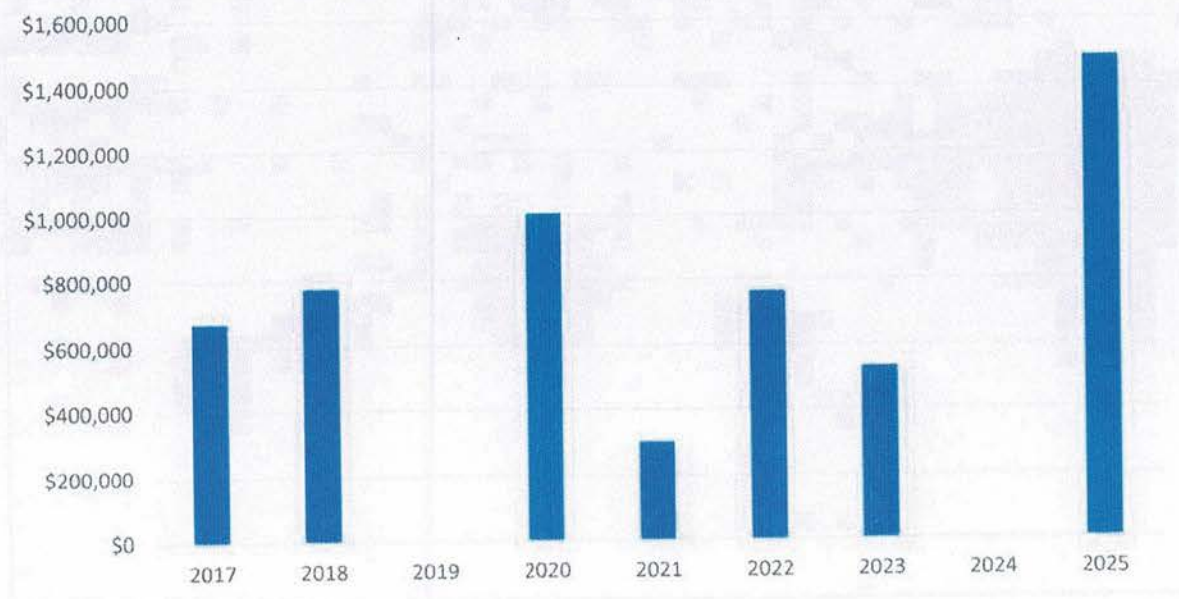
The property at Cameron Road, Tauranga was sold 31 May 2024 for \$18m. The uplift in the value of \$900,000 was recognised in the 2023-24 financial accounts. The associated selling costs are in this year's financial accounts.

Dividends

There were two dividends paid in the period ended 31 March 2025 with a total of \$1,483,337 (2024 Nil).

- The first dividend was 15 cents gross and was declared on 10 May 2024 and paid on 28 May 2024.
 - The second dividend was 83 cents gross and was declared on 9 August 2024 and paid on 16 August 2024.
- This was a total for the year of 98 cents gross per share net, fully imputed.

Superstore Properties Limited Total Company Dividends Paid 2017 to 2025



Share Redemption

The Company resolved to use the funds from the sale of Cameron Road Properties Ltd to return the Company's available subscribed capital (ASC) to shareholders by exercising its option to redeem some of its shares on a pro rata basis in accordance with its constitution and the Companies Act. The redemption was for a total amount of \$2,094,186.15.

Simmons Corporate Finance determined that the fair market value of the Company's shares to be within a range with a midpoint of \$5.67 per share. The consideration for the redeemed shares was at that value which resulted in a percentage redemption of 17.63% of shares on issue.

369,345 shares were redeemed leaving a total of 1,725,655 shares.

Earnings Per Share

The earnings per share this year have decreased to -3 cents per share (2024 33 cents). The major items affecting earnings per share.

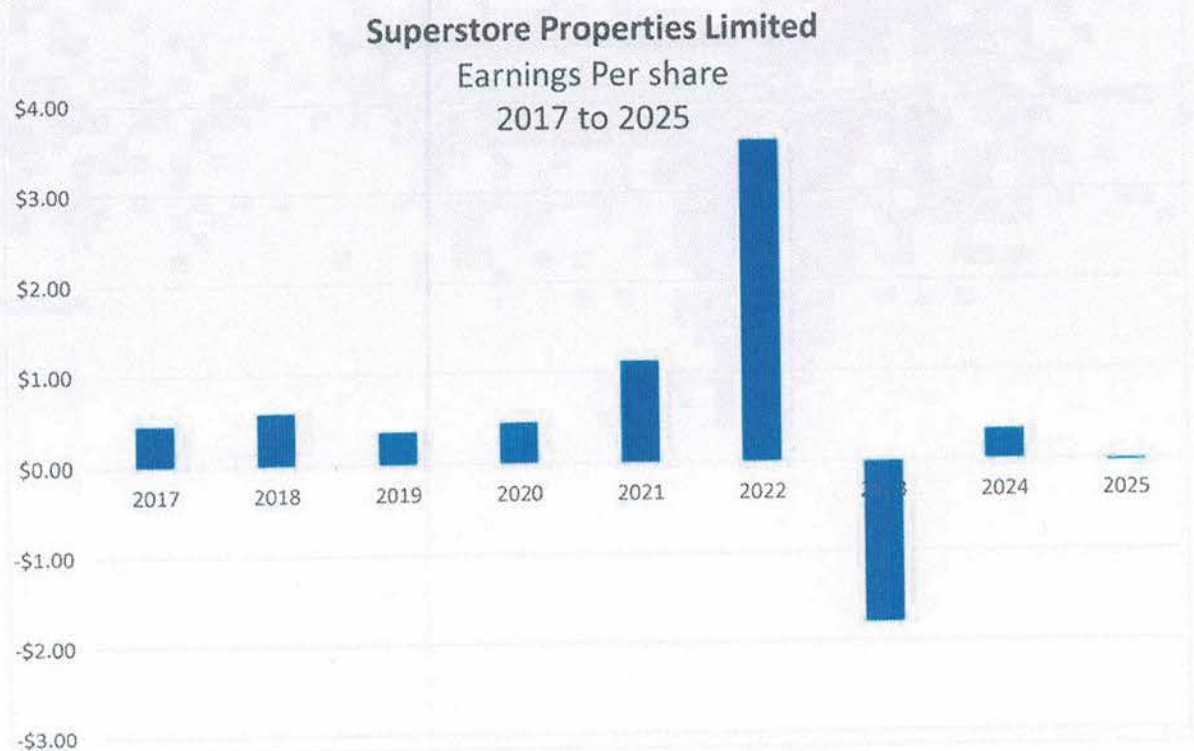
Increase

- The inclusion of the funds from the 11 June 2025 Court of Appeal decision, \$1,131,155.
- The increase in revenue and income from the deferred tax associated with the sale of Cameron Road property, \$551,745.

Decrease

- The costs related to the sale of the Cameron Road property, \$622,000 are included in these financial accounts however the sale uplift of \$900,000 was accounted for in 2023-24 financial year.
- The increased tax provision of \$403,962 (2024 \$94,093).

○ The fair value loss on the Cranford Street property of \$625,000 (2024 -\$375,00). The total number of shares on issue is now 1,725,655 (prior year 2,095,000). There was a share redemption on 21 March 2025 and 369,345 (17.62%) shares were redeemed.



Directors

The following Directors held office during the year ended 31 March 2025:

John Murray (Originally appointed 28 September 2020, re-appointed 15 September 2023 for a further 3 year term).

Damien Prendergast (Originally appointed 7 May 2020, re-appointed 28 September 2020 and again from 15 September 2023 for a further 3 year term).

Remuneration of Directors

Directors' remuneration paid during the year ended 31 March 2025 totalled \$74,264 (2024 \$79,320). There were no other benefits received.

Remuneration of employees

No employees' remuneration exceeded \$100,000.

Auditors

BDO Christchurch Ltd were re-appointed as the Company's auditors at the 2024 AGM.

Share purchases

The Directors did not purchase any shares during the year.

Review of the Year 2024 to 2025:

	Superstore Properties Ltd
April 2024	
	RBNZ hold the Official Cash Rate (OCR) at 5.50%
May 2024	
	Cameron Road Properties Ltd (subsidiary of Superstore Properties Ltd) sale of 483 Cameron Road, Tauranga was settled on 31 May. Sold for \$18m to Tauranga City Council.
	Directors declared a dividend of 15 cents per share, fully imputed. Paid on 28 May.
	High Court judgment found in favour of Superstore Properties Ltd against Investment Services Ltd (ISL) and M Millar, dated 16 May.
June 2024	
	Received \$1,110,146.84 from Investment Services Ltd (ISL) and M Millar for High Court judgment (Superstore Properties Ltd v ISL and Millar). Amount is for judgment amount plus interest and GST. Cost to be determined. Funds held in Duncan Cotterill Trust account. Judgment has been appealed to the Court of Appeal.
July 2024	
	CNP Investment Holdings LP (CNP) made an unsolicited offer to purchase Superstore Properties Ltd shares from shareholders of Superstore Properties Ltd on 5 July. Offer of \$5.30 per share. Expiry date of offer 7 August and payment no later than 15 September.
	Simmons Corporate Finance completed a "Fairness Opinion" relating to the CNP offer to the Superstore Properties Ltd shareholders. Shares valued between \$6.03 and \$6.89.
August 2024	
	RBNZ reduce the Official Cash Rate (OCR) to 5.25%
	Directors declared a dividend of 83 cents per share, fully imputed. Paid on 16 August.
	CNP purchased approximately 682,000 Superstore Properties Ltd shares from the unsolicited offer.

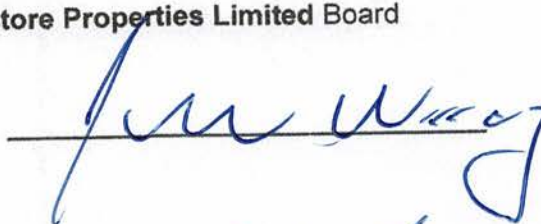
	<p>CNP now holds over 55% of the total shares in Superstore Properties Ltd.</p> <p>Shares transferred to CNP following payment in August.</p>
	<p>High Court (Superstore Properties Ltd v ISL and Millar) awarded cost and disbursements.</p> <p>Costs (\$77,603.30) and disbursements (\$41,904.54) were awarded to Superstore Properties Ltd.</p> <p>Funds paid by ISL and Millar are held in Duncan Cotterill Trust account.</p>
September 2024	
	<p>AGM held in Nelson</p> <p>BDO reappointed as the auditors</p>
October 2024	
	RBNZ reduce the Official Cash Rate (OCR) to 4.75%
November 2024	
	RBNZ reduce the Official Cash Rate (OCR) to 4.25%
January 2025	
	<p>Cameron Road Properties Ltd (subsidiary of Superstore Properties Ltd) put into liquidation on 6 January. Appointed G Falloon as liquidator.</p>
February 2025	
	<p>A DSA report on the Cranford Street Property was initiated and received, finding the NBS to be less than 34%.</p> <p>Copy sent to tenant.</p>
	RBNZ reduce the Official Cash Rate (OCR) to 3.75%
	<p>Liquidator has filed the final report on Cameron Road Properties Ltd (subsidiary of Superstore Properties Ltd) with the Companies Office. Expect company to be removed on 28 March.</p>
March 2025	
	<p>Share Redemption. 17.6% (369,345 shares) of the Superstore Properties Ltd shares were redeemed at \$5.67 per share.</p> <p>Simmons Corporate Finance determined that the fair market value of the Company's shares to be within a range with a midpoint of \$5.67 per share.</p> <p>1,725,655 shares now in Superstore Properties Ltd following the redemption.</p>
	<p>Earthquake strengthening to achieve 70% NBS for Cranford Street Properties Ltd (subsidiary of Superstore Properties Ltd) at 315 Cranford Street. Estimated to be \$300k to \$400k plus GST.</p>
April 2025	

	Court of Appeal – ISL and M Millar appealing the High Court 16 May 2024 judgment (Superstore Properties Ltd v ISL and Millar). Heard in Wellington on 2 April. Decision has been reserved for a later date.
	RBNZ reduce the Official Cash Rate (OCR) to 3.50%
	Cameron Road Properties Ltd (subsidiary of Superstore Properties Ltd) removed from the NZ Companies Register.
June 2025	
	Directors declared a dividend of 38 cents per share, fully imputed. Declared on 9 June and paid on 13 June.
	Court of Appeal decision released on 11 June 2025. The Court of Appeal allowed ISL's appeal but dismissed Mr Millar's appeal. The effect of this on the High Court award is zero. Superstore retains the full amount awarded to it by the High Court.
July 2025	
	Received the funds from the Duncan Cotterill Trust that was related to the Court of Appeal case as there were no further appeals. Received \$1,157,470.19.
	Directors declared a dividend of 67 cents, fully imputed. This was declared on the 14 July and paid on the 15 July.

The Directors wish to thank the team who worked with the Company during the year. Especially the FSS Management staff, and members of RWCA accountants, BDO Christchurch auditors, Russell McVeigh lawyers and Duncan Cotterill lawyers.

For, and on behalf of **Superstore Properties Limited Board**

John Murray
Chair



Damien Prendergast
Director



Consolidated Statement of Profit or Loss and Other Comprehensive Income

Superstore Properties Limited
For the year ended 31 March 2025

	NOTES	2025	2024
Continuing Operations			
Income			
Gross Rental income	7	602,561	602,561
Total Income		602,561	602,561
Operating Income and (Expenses)			
Administrative Expenses	8	(434,168)	(321,162)
Other Operating Expenses	9	(25,000)	(25,460)
Total Operating Income and (Expenses)		(459,168)	(346,622)
Operating Profit		143,393	255,939
Financial Income and (Expenses)			
Finance Costs	10	(120,475)	-
Finance Income	11	263,568	4,904
Total Financial Income and (Expenses)		143,093	4,904
Other Income			
Share of profit Joint Venture	30	1,302	296
Other Income	33	1,131,155	-
Total Other Income		1,132,457	296
Profit Before Other (Expenses)/Income and Tax		1,418,943	261,139
Other (Expenses)/Income			
Fair Value Loss on Investment Property	17	(625,000)	(375,000)
Profit / (Loss) Before Tax		793,943	(113,861)
Income Tax Expense			
Tax provision	13	(403,962)	(94,093)
Profit / (Loss) for the Year Attributable to Shareholders from Continuing Operations		389,981	(207,954)
Discontinued Operations			
Profit / (Loss) after Tax for the Year from Discontinued Operations	12	(450,012)	908,106
Total Discontinued Operations		(450,012)	908,106
Profit / (Loss) for the Year Attributable to Shareholders		(60,032)	700,152
Other Comprehensive Income			
Total Comprehensive Income / (Loss) for the Year Attributable to Shareholders		(60,032)	700,152

The financial statements should be read in conjunction with the attached Notes to the Financial Statements and Audit Report.

	NOTES	2025	2024
Earnings per share			
Basic and diluted earnings per share (cents)	34	(3)	33
Basic and diluted earnings per share (cents) from continuing operations	34	23	2

The financial statements should be read in conjunction with the attached Notes to the Financial Statements and Audit Report.

Consolidated Statement of Changes in Equity

Superstore Properties Limited
For the year ended 31 March 2025

	NOTES	2025	2024
Equity			
Issued Capital			
Opening Balance		2,095,000	2,095,000
Share Redemptions	25	(2,094,186)	-
Total Issued Capital		814	2,095,000
Retained Earnings			
Opening Balance		14,510,824	13,810,672
Increases			
Total Comprehensive Income for the Year Attributable to Shareholders		-	700,152
Total Increases		-	700,152
Decreases			
Total Comprehensive Income for the Year Attributable to Shareholders		(60,032)	-
Dividends Paid	27	(1,483,337)	-
Total Decreases		(1,543,368)	-
Total Retained Earnings		12,967,456	14,510,824
Total Equity		12,968,269	16,605,824

The financial statements should be read in conjunction with the attached Notes to the Financial Statements and Audit Report.

Consolidated Statement of Financial Position

Superstore Properties Limited As at 31 March 2025

	NOTES	31 MAR 2025	31 MAR 2024
Assets			
Current Assets			
Current Assets			
Cash & Cash Equivalents	16	519,739	441,568
Term Deposits	22	3,914,127	-
Receivables	24	35,943	40,535
GST Receivable		-	3,106
Rent Rebates (Current)		-	22,675
Other Current Assets	22	1,151,839	-
Total Current Assets		5,621,648	507,885
Investment Property Classified as Held for Sale			
Investment Property Classified as Held for Sale	18	-	18,000,000
Total Investment Property Classified as Held for Sale		-	18,000,000
Total Current Assets		5,621,648	18,507,885
Non-Current Assets			
Investment Property	17	8,000,000	8,625,000
Investments in Joint Venture	30	43,232	41,929
Other Non-Current Assets	22	154,532	75,000
Total Non-Current Assets		8,197,764	8,741,929
Total Assets		13,819,411	27,249,814
Liabilities			
Current Liabilities			
Trade and Other Payables	22	119,623	122,348
GST Payable		1,002	-
Income Tax Payable	13	333,661	12,161
Loans	23	-	7,976,879
Other Current Liabilities	18	-	1,584,000
Total Current Liabilities		454,286	9,695,389
Non-Current Liabilities			
Deferred Tax Liability	14	396,856	948,601
Total Non-Current Liabilities		396,856	948,601
Total Liabilities		851,142	10,643,990
Net Assets		12,968,269	16,605,824

The financial statements should be read in conjunction with the attached Notes to the Financial Statements and Audit Report.

	NOTES	31 MAR 2025	31 MAR 2024
Equity			
Share Capital	25	814	2,095,000
Retained Earnings		12,967,456	14,510,824
Total Equity		12,968,269	16,605,824

John Murray

Signed by:
John Murray
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31/07/2025

Damien Prendergast

Signed by:
Damien Prendergast
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31/07/2025

The financial statements should be read in conjunction with the attached Notes to the Financial Statements and Audit Report.

Consolidated Statement of Cash Flows

Superstore Properties Limited For the year ended 31 March 2025

	NOTES	2025	2024
Operating Activities			
Receipts from customers		1,006,000	1,520,806
Payments to suppliers and employees		(1,122,921)	(429,215)
Interest Income		242,884	2,535
Other Investment Income		1,302	296
Finance costs		(120,475)	(797,058)
Income tax refunded/(paid)		(548,640)	(27,819)
Net GST Received / (Paid)		4,108	(39,791)
Net Cash Flows from Operating Activities	35	(537,741)	229,755
Investing Activities			
Proceeds from Sale of Property		16,163,973	1,584,000
Investments in Term Deposits		(3,914,127)	-
Escrow - Rout Milner Fitchett		(79,532)	(75,000)
Net Cash Flows from Investing Activities		12,170,314	1,509,000
Financing Activities			
Repayment of short-term loans		(7,976,879)	(1,547,121)
Dividends paid	27	(1,483,337)	-
Capital Distribution	25	(2,094,186)	-
Net Cash Flows from Financing Activities		(11,554,403)	(1,547,121)
Net Cash Flows	36	78,170	191,634
Cash and Cash Equivalents			
Cash and cash equivalents at beginning of period		441,568	249,934
Cash and cash equivalents at end of period		519,739	441,568
Net change in cash for period		78,170	191,634

The financial statements should be read in conjunction with the attached Notes to the Financial Statements and Audit Report.

Notes to the Financial Statements

Superstore Properties Limited For the year ended 31 March 2025

1. Reporting Entity

These consolidated financial statements ("the financial statements") of Superstore Properties Limited ("the Company") and its Subsidiaries (collectively "the Group") and the Group's equity accounted interest in joint ventures for the year ended 31 March 2025 were authorised for issue in accordance with a resolution of the Board of Directors on 31 July 2025.

Superstore Properties Limited is a Limited Company incorporated and domiciled in New Zealand and registered under the Companies Act 1993, and is engaged in the business of Commercial Investment Property.

2. Basis of Preparation

Statement of Compliance

These financial statements have been prepared in accordance with New Zealand generally accepted accounting practice (NZ GAAP); the requirements of the Financial Reporting Act 2013, the Companies Act 1993 and the Financial Markets Conduct Act 2013. For the purpose of complying with NZ GAAP, the Group is a Tier 1 for-profit entity. These financial statements comply with New Zealand International Financial Reporting Standards (NZ IFRS) and the International Financial Reporting Standards (IFRS).

Basis of Measurement

The financial statements have been prepared on the historical cost basis except for Investment properties which are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below.

Presentation Currency

The financial statements are presented in New Zealand Dollars (NZD), which is the Company's functional currency and Group's presentation currency. All values are rounded to the nearest NZD, except when otherwise indicated.

Going Concern

The financial statements have been prepared on a going concern basis.

3. Summary of Material Accounting Policies

The material accounting policies used in the preparation of these financial statements are summarised below:

Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Interests in Equity-Accounted Investees

The Group's interests in equity-accounted investees comprise interests in joint ventures.

Joint ventures are those entities in which the Group has joint control along with another or more parties. The parties to the arrangement have rights to the net assets of the arrangement.

Interests in joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

Income Recognition

Rental Income

Income arising from operating leases on Investment Properties is recognised on a straight line basis over the life of the lease and included in revenue in the statement of profit or loss. Lease incentives provided in relation to letting the investment Properties are recognised on the Statement of Financial Position and amortised on a straight-line basis over the non-cancellable portion of the lease to which they relate, as a reduction of rental income.

Income generated from rate charge expenses recovered from tenants is netted off against the related expense, in the accounting period the underlying expenses are incurred. The Group is considered to be an agent for these expenses as amounts collected on behalf of third parties are not economic benefits which flow to the Group.

Interest

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Finance costs recorded in the profit or loss comprise the interest expenses charged on borrowings. Interest expense is recognised on an accrual basis, using the effective interest rate method.

Income Tax

The income tax expense represents the sum of current tax payable and deferred tax movements.

Current Income Taxes

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

Current and Deferred Tax for the year

Movements in current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Goods and Services Tax

All amounts in these financial statements are shown exclusive of GST, except for receivables and payables that are stated inclusive of GST.

Investment Properties

Investment Properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, Investment Properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of Investment Properties are included in Profit or Loss in the period in which they arise, including the corresponding tax effect. Fair values are determined based on an annual valuation performed by an accredited external independent valuer applying a valuation model recommended by the Property Institute of New Zealand and in compliance with NZ IFRS 13.

The properties are held for both capital appreciation and rental income purposes. The Investment Properties are not depreciated for accounting purposes however depreciation is claimed for taxation purposes.

The Group reclassifies an investment property to Investment Property Classified as Held for Sale when the Group commences the process of disposing the property. The carrying value of the Investment Property is the contracted sale price, being the best indicator of fair value.

The income/(loss) for the year and net cashflows relating to an Investment Property Classified as Held for Sale are recognised as discontinued operations and are separately disclosed from all other continuing operations of the Group.

Investment Properties are derecognised either when they have been disposed of (i.e. at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in Profit or Loss in the period of derecognition.

Financial Instruments

Financial Assets

The Group classifies its financial assets at amortised cost as stated below.

The Group's accounting policy for the classification is as follows:

Amortised cost

These assets arise principally from the provision of goods and services to customers (eg trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for trade receivables are recognised based on the simplified approach within NZ IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within bad debts in the Consolidated Statement of Comprehensive Income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for other financial assets at amortised cost are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the Consolidated Statement of Financial Position.

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and – for the purpose of the Statement of Cash Flows.

Financial Liabilities

The Group classifies its financial liabilities at amortised cost as stated below.

The Group's accounting policy for this classification is as follows:

Amortised cost

Financial liabilities at amortised cost include the following items:

Bank borrowings are initially recognised at fair value. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the Consolidated Statement of Financial Position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

De-Recognition of Financial Instruments

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or if the Group transfers the financial asset to another party without retaining control or substantial all risks and rewards of the asset.

A financial liability is de-recognised when it is extinguished, discharged, cancelled or expires.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment of Non-Financial assets

At each reporting date, the carrying amounts of tangible and intangible assets, other than investments property and deferred tax assets are reviewed to determine whether there is any indication of impairment. If any such indication exists for an asset, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in the reported profit or loss.

The estimated recoverable amount of an asset is the greater of its fair value less costs to sell and value in use. Value in use is determined by estimating future cash flows from the use and ultimate disposal of the asset and discounting to their present value using a pre-tax discount rate that reflects current market rates and risks specific to the asset. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Other impairment losses are reversed when there is a change in the estimates used to determine the recoverable amount.

Any reversal of impairments previously recognised is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

Share Capital

Share capital represents the consideration received for shares that have been issued, less any amounts redeemed at assessed market value at the time. All transaction costs associated with the issuing of shares are recognised as a reduction in equity, net of any related income tax benefits.

Dividend Distribution

Dividend distributions to the shareholders are recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Directors.

Fair Value Measurement

A number of the Group's accounting policies and disclosures require measurement at fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability
- In the absence of a principal market, in the most advantageous market for the asset or liability
- The principal or the most advantageous market must be accessible by the Group

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique adopted as follows.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs), or where there are significant adjustments to market data.

4. Adoption of new and revised reporting standards

Financial Reporting Standards Effective in the Reporting Period

There were a number of new standards and amendments to existing standards that came into effect in the current financial year.

The new and amended standards and interpretations that became effective in the current financial year have not been listed as they are not considered to have any material impact on the Group.

There are no new or amended standards for the year ended 31 March 2025 that have had a material impact on the financial statements.

New NZ IFRS Standards and Interpretations Issued But Not Yet Adopted

Accounting standards and interpretations, considered relevant to the operation of the Group, that have not been applied during the reporting year, or have been issued but are not yet effective as at the date of issuance of these Financial Statements are outlined below (if any). If applicable, the Group intends to adopt these when they become effective.

The Company has not yet assessed the impact of NZ IFRS 18 Presentation and Disclosure in the Financial Statements. It is expected that the standard will impact the presentation of the financial statements. No other standards or amendments to existing standards and interpretations that are not yet in effect are expected to have a material impact on the financial statements.

5. Material Accounting Judgements, Estimates and Assumptions

The preparation of financial statements in conformity with NZ IFRS requires management to make judgement, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Where material, information on material judgements, estimates and assumptions is provided in the relevant accounting policy or provided in the relevant note disclosure.

The estimates and underlying assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances. Estimates are subject to ongoing review and actual results may differ from these estimates. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in future years affected.

The following are material management judgments in applying the accounting policies of the Group that have a material effect on the financial statements:

Fair Value Measurements and Valuation Processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The Board of Directors have determined the appropriate valuation techniques and inputs for fair value measurements. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in later notes.

Investment Property is carried at Fair Value, the judgements, estimates and assumptions made in relation to the assets are detailed in Note 21.

6. Significant Events

High Court Proceedings

In December 2020 proceedings were issued in the High Court (Nelson Registry) against Michael Millar and Investment Services Limited. Initially the claims related to the fraud and undisclosed payments made to Investment Services Limited. The claims against Michael Millar are for breaches of his directors and fiduciary's duties.

The defendants filed statements of defence denying the claims. In addition, Investment Services Limited has counterclaimed for losses suffered because of the company's alleged repudiation of the management agreement totalling \$366,666 plus interest and costs. A defence to the counterclaim has been filed denying any repudiation.

Given the commonality of issues in the proceedings also issued by Springs Road Property Limited and First NZ Property Limited, the three proceedings were consolidated.

A mediation using Nicolas Till QC as mediator took place on 24 November 2021. After a full day of mediation, no agreement was reached. Subsequently discussions between the respective legal representatives took place regarding the settlement of the fraud aspect of the claim and the assignment of rights of recovery against Neil Barnes. By an agreement dated 21 February 2022 settlement was reached with the payment of \$463,959.79 being made up of:

- \$461,623.79 in settlement of the claim for the unrecovered balance of the fraud, and;
- \$2,336.00 as a contribution to costs.

An amended Statement of Claim, relating to the matters not covered by the February 2022 settlement agreement, was filed in April 2022. In May 2023 the hearing was heard in the Nelson High Court before Justice Gwyn. The hearing ran from 1 May 2023 to 9 May 2023 with closing submissions given at the Wellington High Court on 12 May 2023. The Court released its decision on 16 May 2024.

Judgment was entered in favour of Superstore Properties against both ISL and Michael Millar for \$656,394.52 plus GST, plus interest and costs (noting that it cannot recover the amount from both ISL and Micheal Millar).

The judgment of the High Court, dated 16 May 2024, was appealed to the Court of Appeal. The parts the High Court judgment appealed was whether the High Court was correct in its assessment and calculation of compensation to be paid to Superstore by the appellants.

The appellants challenged their liability to pay the sum of \$644,945.26 plus GST (for Gravtec fees) to Superstore.

The hearing took place on 2 April 2025.

The Court of Appeal released its decision on 11 June 2025.

The Court allowed ISL's appeal in both contract and knowing receipt on the basis that all property management services provided to Superstore were paid by ISL from within the management fee (pursuant to the Management Agreement) and all it did was profit from the terms of its fee arrangements with Superstore.

The Court of Appeal agreed with the High Court that Mr Millar's responsibilities as a director of Superstore "conflicted profoundly" with his responsibilities to ISL. Mr Millar did not separate his responsibilities to Superstore and ISL, nor did he consider how his conflicts of interest could be managed. The Court dismissed Mr Millar's appeal accordingly.

Mr Millar remains liable to Superstore in the sum of \$644,945.26 (plus GST). No costs order was made.

The effect of this on the High Court award is nil. Superstore retains the full amount awarded to it by the High Court. For the year ended 31 March, the amount held on trust account was \$1,151,838.72 and this is recognised within receivables and reflected in the note 22.

Cameron Road Properties Ltd, (Subsidiary of Superstore Properties Ltd)

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 2 April 2025. All assets and liabilities have been passed through to Superstore Properties Ltd.

	NOTES	2025	2024
7. Rental Income			
Gross Rental income			
Rental Income and other returns from Investment Properties (NZ IFRS 16 Leases)		602,561	602,561
Total Gross Rental income		602,561	602,561
Total Rental Income		602,561	602,561
	NOTES	2025	2024
8. Administrative Expenses			
Accountancy Fees		22,265	19,653
Audit		23,548	22,000
Consultancy		80,450	13,054
Directors' Fees		74,264	79,320
Legal Fees		94,903	113,289
Sundry Expenses		10,853	19,652
Management Fees		110,770	36,471
Registry Fees		12,724	13,868
Valuation Fees		4,390	3,855
Total Administrative Expenses		434,168	321,162
	NOTES	2025	2024
9. Other Operating Expenses			
Irrecoverable Opex		-	460
Lease Incentive		25,000	25,000
Total Other Operating Expenses		25,000	25,460
	NOTES	2025	2024
10. Finance Costs			
Interest on Loans - Financial Liabilities at Amortised Cost		120,475	-
Total Finance Costs		120,475	-
	NOTES	2025	2024
11. Finance Income			
Interest Received- Financial Assets at Amortised Cost		263,568	4,904
Total Finance Income		263,568	4,904

	NOTES	2025	2024
12. Discontinued Operations, Net of Tax			
483 Cameron Road			
Rental Income			
Rental Income and other proceeds from Investment Properties (NZ IFRS 16 Leases)		160,172	961,033
Deferred Tax Adjustment on Derecognition of 483 Cameron Road		551,745	-
Total Rental Income		711,917	961,033
Administrative Expenses			
Administrative Expenses		(646,081)	(41,728)
Management Fees		-	(86,493)
Valuation Fees		(8,975)	(4,790)
Total Administrative Expenses		(655,055)	(133,011)
Other Operational Expenses			
Repairs & Maintenance		(29,107)	(4,928)
Total Other Operational Expenses		(29,107)	(4,928)
Finance Costs			
Interest		-	(797,058)
Total Finance Costs		-	(797,058)
Profit Before Other (Expenses)/Income and Tax		27,755	26,035
Other Income / (Expenses)			
Fair Value Gain on Investment Property		-	900,000
Total Other Income / (Expenses)		-	900,000
Profit/(Loss) Before Tax from Discontinued Operations		27,755	926,035
Income Tax on Discontinued Operations		(477,767)	(17,929)
Profit/(Loss) for the Year from Discontinued Operations		(450,012)	908,106
Basic and diluted earnings per share (cents)		(26)	44
	NOTES	2025	2024

Net Cashflows from Discontinued Operations

Operating Activities		
Receipts from Customers	160,172	961,033
Deferred Tax Adjustment on Derecognition of 483 Cameron Road	551,745	-
Payments to Suppliers	(684,162)	(137,939)
Finance Costs	-	(797,058)
Total Operating Activities	27,755	26,036
Final Dividends Paid to Parent upon Liquidation	(1,372,421)	-
Total Net Cashflows from Discontinued Operations	(1,344,666)	26,036

Cameron Road Limited discontinued operations upon sale of the commercial property sold and settled on the 31st May 2024. The lease with The Warehouse was in effect until the date of settlement.

13. Income Tax

	NOTES	2025	2024
Components of income tax expense			
Current Taxation		881,729	84,197
Deferred Taxation		-	27,826
Total income tax expense		881,729	112,023
	NOTES	2025	2024
Income Tax Expense			
Reported income			
Profit before tax from continuing operations		793,943	(113,861)
Profit before tax from discontinued operations		27,754	26,036
Total Reported income		821,698	(87,825)
Less: Non-assessable income			
Share of Profit / (Loss) of Joint Venture		1,302	296
Total Less: Non-assessable income		1,302	296
Taxable Profit / (Loss)		820,395	(88,121)
At effective income tax rate of 28%		229,711	(24,674)
Increase/(Decrease) in Income Tax Due to:			
Non-Deductible Expenses		91,382	25,348
Rental Rebates to be Amortised Over Remaining Lease Periods		-	6,349
Depreciation Recovery Income		551,745	-
Depreciation Adjustment		(32,334)	-
De-Recognition of Deferred Tax Liability		(133,775)	-
Asset Revaluation		175,000	105,000
Total Increase/(Decrease) in Income Tax Due to:		652,018	136,697
		881,729	112,023
Tax Expense			
Reported as			
Income Tax reported in Profit or Loss		403,962	94,093
Income Tax attributable to discontinued operations		477,767	17,929
Income Tax Expense / (Income)		881,729	112,023

	NOTES	2025	2024
Income tax payable / (receivable)			
Income tax payable / (receivable)			
Opening Balance		12,161	(44,217)
Current tax expense			
Tax on Discontinued Operations		(73,978)	17,929
Tax Expense		403,962	94,093
Deferred Tax Movement		551,745	(27,826)
Losses Brought Forward		-	-
Tax Paid			
Income tax paid		(615,374)	(26,153)
RWT Paid		(50,646)	(1,666)
Tax Refunds Received		105,790	-
Total Tax Paid		(560,229)	(27,819)
Total Income tax payable / (receivable)		333,661	12,161

	NOTES	2025	2024
14. Deferred Tax Assets & Liabilities			
Deferred Tax Liabilities			
Opening Balance		948,601	920,776
Decrease arising from depreciation for tax purposes		(551,745)	27,826
Total Deferred Tax Liabilities		396,856	948,601

	NOTES	2025	2024
Deferred Tax arises from			
Tax Asset Base			
Opening Balance		3,387,861	-
Total Tax Asset Base		3,387,861	-
Deferred Tax @ 28%		948,601	-
Tax Liability Base			
Tax Depreciation on Derecognition of 483 Cameron Road		1,417,341	-
Incremental depreciation for tax purposes		-	3,387,861
Total Tax Liability Base		1,417,341	3,387,861
Deferred Tax @ 28%		396,855	948,601

	NOTES	2025	2024
15. Imputation Credit Account			
Imputation Credit Account			
Opening Balance		156,884	129,065
Increases			
Income Tax Paid		615,373	70,751
Resident Withholding Tax Paid		50,643	1,666
Total Increases		666,016	72,417
Decreases			
Imputation Credits Attached to Dividends		563,618	-
Income Tax Refund		106,580	44,598
Total Decreases		670,198	44,598
Total Imputation Credit Account		152,703	156,884

	NOTES	2025	2024
16. Bank and Cash balances			
Bank accounts in funds			
001 Distribution Account - Interest Rate 0% (2024: 0%)		29,832	1,246
002 Property Account - Interest Rate 0% (2024: 0%)		21,920	61,282
070 Call Account - Interest Rate 2.75% (2024: 2.75%)		22,300	7,811
000 Account - Cameron Road - Interest Rate (2024: 0%)		-	4,249
070 Call Account - Cameron Road - Interest Rate (2024: 2.75%)		-	228,140
000 Account - Cranford Street - Interest Rate 0% (2024: 0%)		20,114	3,682
070 Call Account - Cranford Street - Interest Rate 2.75% (2024: 2.75%)		60,573	135,159
ANZ Term Deposit 1010 - Interest Rate 4.24% (2024: 0%)		365,000	-
Total Bank accounts in funds		519,739	441,568
Total Bank and Cash balances		519,739	441,568

	NOTES	2025	2024
17. Investment Property			
Investment Property			
Opening Balance		8,625,000	26,100,000
Net Change in Fair Value		(625,000)	(375,000)
Less Transfer of Property Classified as Held for Sale	18	-	(17,100,000)
Total Investment Property		8,000,000	8,625,000
Total Investment Property		8,000,000	8,625,000

18. Investment Property Classified as Held for Sale

In the prior financial year, the Group classified Property 483 Cameron Road as a non-current asset held for sale. The property was recorded at fair value in the 2024 year, while a deposit received of \$1,584,000 was recognised as a current liability.

On 31 May 2024, the property was sold for \$18,000,000.

	NOTES	2025	2024
Investment Property Classified as Held for Sale			
483 Cameron Road			
Transferred from Investment Property		18,000,000	17,100,000
Sale of Property		(18,000,000)	-
Net Change in Fair Value		-	900,000
Total 483 Cameron Road		-	18,000,000
Total Investment Property Classified as Held for Sale		-	18,000,000

19. Lease Agreement Terms

The Group's two leases have the following terms:

Christchurch - Placemakers

- Six year term expiring February 2028.
- Two rights of renewal of six years each.
- Three yearly rent reviews based on current market rentals and encompassing a ratchet clause.

Tauranga - The Warehouse

- 10.5 year term expiring March 2025.
- Three rights of renewal of four years each.
- Three yearly rent reviews based on lesser of current market rental or CPI, and encompassing a ratchet clause.

483 Cameron Road (Tauranga - The Warehouse) sold and settled on 31 May 2024. The above lease term was in effect until the date of settlement.

20. Minimum Lease Income

The Group has entered into commercial property leases on its Investment Property Portfolio. These non-cancellable leases have remaining lease terms as noted above. All leases include a clause to enable upward revision of the rental charge on various review dates based on prevailing market conditions.

Future minimum net rentals receivable, after incentive rebates, under non-cancellable leases at the reporting date areas follows:

	NOTES	2025	2024
Minimum Lease Income			
Less than 1 year		625,326	762,733
2 to 5 years		1,159,684	1,786,633
5 + years		-	-
Total Minimum Lease Income		1,785,010	2,549,366

21. Valuations

Cranford Street, Christchurch is occupied by Placemakers. The property is currently leased under the terms and to the tenants disclosed in Note 20.

The Investment Property is measured at fair value and was valued as at 31 March 2025 by external, independent property valuers, having appropriately recognised professional qualifications and recent experience in the location and categories of the property being valued.

The latest revaluation of the Investment Property is summarised as follows:

	Cranford Street, Christchurch
Purpose	Financial Reporting
Amount of Valuation	\$8,000,000 (2024: \$8,625,000)
Valuer	Colliers International (2024: Colliers International)
Basis of Valuation	The determination of the values stated were market value subject to existing tenancies and occupational arrangements.
Assessment Approach	Discounted cash flow Capitalisation approach
Vacancy Rate	Nil (2024: Nil)
Weighted average lease term	2.85 years (2024: 3.85 years)
Rental value per square metre	\$1,835 (2024: \$1,979)
Capitalisation rate	7.50% (2024: 8.50%)
Discount rate	9.50% (2024: 9.00%)
Terminal Yield	8.75% (2024: 8.50%)
Net market rent	\$760,140 (2024: \$725,216)
Net passing rent	\$625,236 (2024: \$625,236)

The valuations reflect the quality of tenants in occupation, the allocation of maintenance and insurance responsibilities between the Group and the tenant and the remaining economic life of the properties. The valuations also assume on expiry of the current lease terms the Group will be able to re-tenant the properties at or above market rates. The valuations assume the buildings meet the minimum seismic ratings requirements and that no capital expenditure is required on earthquake strengthening.

The Cranford Street valuation notes that the building is less than 34% NBS. The valuation acknowledges the estimated cost to bring the property to above 67% NBS. The valuation has also factored in an annual lease incentive of \$25,000 to be paid.

There are outstanding earthquake repairs required to floor slabs within the principal building. The repair work is currently covered by an insurance policy however is yet to be completed. The functionality of the space is in the Valuers opinion not compromised and repair works are likely complicated by interruption to the tenant's business operation.

The property is registered on the Hazardous Activities & Industries List (HAIL) because of wood treatment or preservation and bulk storage of treated timber. The site is categorised as 'not investigated'. Given the property is not investigated the assumption has been made that no contamination exists rather than further investigation being required.

The fair value measurement for the Investment Properties has been categorised as a Level 3 fair value (refer to Note 4) based on the inputs to the valuation technique used being based on unobservable inputs.

The following table outlines the valuation techniques measuring fair value of the Investment Properties, as well as the unobservable inputs used and the inter-relationship between the key unobservable inputs and fair value measurement.

Valuation technique	Unobservable inputs (Cranford)	The estimated fair value would increase/(decrease) if
Discounted cash flow approach The discounted cash flow method adopts a 10 year investment horizon and makes appropriate allowances for rental growth and leasing costs on lease expiries, with an estimated terminal value at the end of the investment period. The present value is a reflection of market based income (inflows) and expenditure (outflows) projections over the 10 year period discounted at a market analysed return.	Discount rates of 9.50% Terminal yields of 8.75% at the end of the 10 year period Assessed market rentals of \$760,140	The discount rate was (lower)/higher by 0.25% the effect would be an increase / (decrease) by \$144,392 / (\$141,180) The terminal yield was lower/(higher) by 0.25%, the effect would be an increase / (decrease) by \$127,044 / (\$119,985) The assessed market rental was higher/(lower) by 1%, the valuations would increase / (decrease) by \$78,000
Capitalisation approach This approach is considered a "point in time" view of the Investment Properties' value, based on the current contract and market income and an appropriate market yield or return for the properties. Capital adjustments are then made to the value to reflect under or over renting, pending capital expenditure and upcoming expiries, including allowances for lessee incentives and leasing costs.	Net rental income has been capitalised in perpetuity at capitalisation rates of 8.75% Assessed market rentals of \$625,236	The capitalisation rate in perpetuity was lower/(higher) by 0.25%, the valuations would increase / (decrease) by \$275,000 / (\$250,000) The assessed market rental was higher/(lower) by 1%, the valuations would increase / (decrease) by \$78,000

In deriving the market value under each approach, all assumptions are based, where possible, on market based evidence and transactions for properties with similar locations, construction detail and quality of lease covenant. The adopted market value is a judgmental combination of both the Capitalisation and the Discounted Cash Flow approaches.

	NOTES	2025	2024
22. Financial Assets and Liabilities at amortised cost			
Financial Assets			
Current			
Bank & cash		519,739	441,568
Trade and other receivables		35,943	40,535
Pending Proceeds and interest from Court Judgment	33	1,151,839	-
Term Deposits		3,914,127	-
Total Current		5,621,648	482,103
Non-current			
Other Non-Current Assets			
Escrow - Rout Milner Fitchett		154,532	75,000
Total Other Non-Current Assets		154,532	75,000
Total Non-current		154,532	75,000
Total Financial Assets		5,411,180	557,103
Financial Liabilities			
Current			
Trade and other payables		119,623	122,348
Total Current		119,623	122,348
Interest-bearing loans & borrowings			
Current interest-bearing loans & borrowings			
Loans		-	7,976,879
Total Current interest-bearing loans & borrowings		-	7,976,879
Total Interest-bearing loans & borrowings		-	7,976,879
Total Financial Liabilities		119,623	8,099,227

Fair Values

The carrying amount of the above financial assets and liabilities approximate their fair value at the end of each financial year.

	NOTES	2025	2024
23. Loans			
Current Interest-bearing Loans & Borrowings		-	7,976,879
Total Loans		-	7,976,879

ANZ Bank repayment terms terminated October 2024 with floating interest, and was repaid on 31 May 2024. Monthly repayments of interest only were being made commencing 1 month following the facility drawdown of the loan dated 12 October 2020 and a variation dated 5 August 2022, each amounting to the total of all daily interest charges for the relevant monthly period. The daily interest charge is calculated on the closing balance of the loan account each day at the applicable interest rate based in a 365 day year.

One final payment of \$7,976,879 was made on 31 May 2024 plus interest and fees on all daily balances from the date on which interest was last debited through to the date of this payment, calculated at the applicable interest rate based on a 365 day year.

The loan was repaid following the sale of 483 Cameron Road settled on 31 May 2024.

	NOTES	2025	2024
24. Trade and Other Receivables			
Accounts Receivable		12,420	40,535
Other Receivables		23,523	-
Total Trade and Other Receivables		35,943	40,535

	NOTES	2025	2024
25. Reconciliation of Issued Capital			
Available Subscribed Capital			
Opening Balance		2,095,000	2,095,000
Share Redemptions		(2,094,186)	-
Total Available Subscribed Capital		814	2,095,000

	NOTES	2025	2024
26. Reconciliation of Shares on Issue			
Opening Shares on Issue		2,095,000	2,095,000
Redemption of Shares Assessed at Market Value		(369,345)	-
Closing Shares on Issue		1,725,655	2,095,000

At reporting date, the total number of shares on issue comprises 1,725,655 (prior year 2,095,000) shares authorised, issued and fully paid, rating equally for dividends and other distributions.

During the 2025 year under review, the Directors proposed and adopted a redemption of 369,345 shares for \$2,094,186. This was for 17.62% which left 1,725,655 shares on issue. This was adopted and approved on 27 March 2025.

	NOTES	2025	2024
27. Dividends Paid			
Cash dividends declared and paid during the year			
Interim Dividend for current year		1,483,337	-
Final Dividend for prior year		-	-
Total Cash dividends declared and paid during the year		1,483,337	-
Dividend Per Share (Cents)		86	-

28. Financial Instrument Risks

This note deals with exposures to interest rate, credit and liquidity risks arising in the normal course of the Group's business as follows:

Interest rate risk

Interest rate risk is that movements in interest rates will affect the Groups performance. As the Group currently does not have any bank loans, the risk associated with interest rates is considered low.

Credit risk

The Group in the normal course of business has credit risk from accounts receivable mainly for rent and bank balances. The Group manages bank balance credit risk through transacting only with major trading banks. The Group manages accounts receivable credit risk through accepting only reputable tenants and performing credit assessments prior to accepting the tenancy.

The maximum exposure to credit risk is represented by the carrying value of each financial asset in the Statement of Financial Position. The fair value of each financial asset is the same as the carrying value.

Liquidity risk

The Group had no loans as at 31 March 2025, as such risk associated with liquidity is low due to liabilities primarily consisting of creditors only. Cashflow is managed to ensure that all creditors are met as and when they fall due.

Undiscounted Contractual Cash Flows (Principal and Interest)

2025	Statement of Financial Position	Total	<1 Year	1-2 Years	2-5 Years	>5 Years
Trade and Other Payables	119,623	119,623	119,623	-	-	-
Interest bearing Liabilities	0	0	0	-	-	-
Total Financial Liabilities	119,623	119,623	119,623	-	-	-
2024	Statement of Financial Position	Total	<1 Year	1-2 Years	2-5 Years	>5 Years
Trade and Other Payables	122,348	122,348	122,348	-	-	-
Interest bearing Liabilities	7,976,879	7,976,879	7,976,879	-	-	-
Total Financial Liabilities	8,099,227	8,099,227	8,099,227	-	-	-

	NOTES	2025	2024
Interest Rate Sensitivity Analysis			
0.72% Increase in Interest Rates Impact on:			
Profit or Loss		-	(57,434)
Equity		-	(41,352)
Total 0.72% Increase in Interest Rates Impact on:		-	(98,786)
0.30% Decrease in Interest Rates Impact on:			
Profit or Loss		-	23,931
Equity		-	17,230
Total 0.30% Decrease in Interest Rates Impact on:		-	41,161

Capital Disclosures

The Group monitors "adjusted capital" which comprises all components of equity (i.e. share capital, retained earnings, and revaluation reserve).

The Group's objectives when maintaining capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- to provide an adequate return to shareholders.

29. Related Parties

FSS Management Ltd (FSS) provides Management Services to the Group since 1 January 2021. All transactions conducted by the Group with FSS are related party transactions as the Group is a Shareholder of FSS. The Group paid FSS \$110,770 in management fees and \$12,724 in registry fees for the year.

John Murray (John) is an independent director of the Group, appointed on 28 September 2020. John was reappointed for a further 3 years on 15 September 2023. He is not a shareholder of the Group. He was paid directors fees of \$52,615 for the year. All transactions between the Group and John are related party transactions. The Group entered into a deed of indemnity with John under which the Group gives certain indemnities in favour of John. As the Group was unable to obtain a renewal of its directors' and officers' liability insurance at a realistic price, it (or its wholly owned subsidiaries) provided a guarantee of the Group's obligations under the deed of indemnity in favour of John and that was supported by an unregistered second ranking mortgage in favour of John. The Group and John entered into a deed of postponement with ANZ Bank New Zealand Limited (ANZ) under which ANZ consented to the granting of the second ranking mortgage in return for John agreeing to postpone certain rights as mortgagee. The Group entered into deeds of postponement on 1 December 2020 with John in favour of ANZ. The deeds of postponement are required by ANZ for ANZ to consent to the granting of a second ranking mortgage by the Group in favour of John. John in his personal capacity entered into a deed of variation and restatement of deed of indemnity and access with the Group. The variations include the requirement that the Group originally pay an amount of \$75,000 to an escrow agent to be held in escrow for the purposes of meeting any costs which John and/or Damien may incur for which the Group has agreed to indemnify them in accordance with clauses 2.1.1 and 2.1.3 of the deed of indemnity. This was reconsidered during the year after the settlement of Sheffield Crescent and the Group increased the Escrow by a further \$75,000 bringing the total Escrow, including interest, to a total of \$154,532. The original Escrow amount was paid in May 2023 and the second amount was paid in October 2024. Both payments to Rout Milner Fitchett Trust account. John is also a director of FSS, which is partially owned by the Group. The Group and FSS entered into a management agreement under which FSS provides certain management services to the Group. The Group and FSS are also parties to a shareholders' agreement in respect of FSS.

Damien Prendergast (Damien) is a director of the Group appointed 7 May 2020 and was re-appointed on 28 September 2020. Damien was reappointed for a further 3 years on 15 September 2023. All transactions conducted by the Group with Damien are related party transactions. The Group paid Damien directors fees of \$21,649 during the year. He is a current shareholder through A&J Enterprises (2006) Ltd as a trustee of the Prendergast Family Trust and a Trustee of the Killaloe No.2 Family Trust. All shares received dividends as per all shareholders. Damien also has an associated interest through his daughter, Alana Prendergast, who has a relevant interest in 824 shares in the Group. The Group entered into a deed of indemnity with Damien under which the Group gives certain indemnities in favour of Damien. As the Group was unable to obtain a renewal of its directors' and officers' liability insurance at a realistic cost, it (or its wholly owned subsidiaries) provided a guarantee of the Group's obligations under the deed of indemnity in favour of Damien and that was supported by an unregistered second ranking mortgage in favour of Damien. The Group and Damien entered into a deed of postponement with ANZ Bank New Zealand Limited (ANZ) under which ANZ consented to the granting of the second ranking mortgage in return for Damien agreeing to postpone certain rights as mortgagee. Damien in his personal capacity entered into a deed of variation and restatement of deed of indemnity and access with the Group. The variations include the requirement that the Group pay an amount of \$75,000 to an escrow agent to be held in escrow for the purposes of meeting any costs which John and/or Damien may incur for which the Group has agreed to indemnify them in accordance with clauses 2.1.1 and 2.1.3 of the deed of indemnity. This was reconsidered during the year after the settlement of Sheffield Crescent and the Group increased the Escrow by a further \$75,000 bringing the total Escrow to a total of \$150,000. The Escrow original amount was paid in May 2023 and the second amount was paid in October 2024. Both payments to Rout Milner Fitchett Trust account. Damien is also a director of FSS, which is partially owned by the Group. The Group and FSS entered into a management agreement under which FSS provides certain management services to the Group. The Group and FSS are also parties to a shareholders' agreement in respect of FSS.

Paul Rosanowski (Paul) is an employee of FSS (Project Manager) since 15 December 2020. FSS Management Ltd paid wages (\$125,542) to Paul for the year to 31 March 2025. All transactions conducted by the Group with Paul are related party transactions. He is not a shareholder of the Group.

Richard Eberlein was a shareholder of Superstore Properties Ltd and is an employee (Property Manager) of FSS Management Ltd since 15 December 2020. FSS paid wages (\$59,175) to Richard Eberlein for the year end to 31 March 2025. He was a shareholder until 25 January 2022 when he sold his shares. No additional shares were purchased during the year.

At reporting date, Superstore Properties Ltd made a redemption of shares. This was on 21 March 2025 and the redemption was 17.62% of the shares. Therefore the number of shares held by Directors and Managers have been reduced following the redemption.

At balance date the following investments, both direct and indirect, were held by the Directors and the Managers:

Damien Prendergast (appointed as Director 7 May 2020)

A&J Enterprises (2006) Ltd	252,876 shares
Killaloe No. 2 Family Trust	4,942 shares
Alana Prendergast	824 shares

There were no amounts due to the related parties as at balance date.

30. Group Information and Investment in Subsidiaries and Joint Ventures

The consolidated financial statements of the group include:

Name	Principle Activity
Parent	
Superstore Properties Limited	Property investment and management
Subsidiaries	
Cranford Street Properties Limited	Property investment
Cameron Road Properties Limited - (In Liquidation 06/01/25 to 02/04/2025)	Property investment
Joint Ventures	
FSS Management Limited	Business management services

All group members are incorporated in New Zealand.

The ultimate controlling entity and parent company of the group is Superstore Properties Limited which owns 100% of each subsidiary company.

All subsidiaries are wholly owned, have a principal activity of being property owning companies and have a reporting date of 31 March.

FSS Management Limited is a joint venture of Superstore Properties Limited, Superstore Properties Limited holds a 41% shareholding in FSS Management Limited. FSS Management Limited has a reporting date of 31 March.

	NOTES	2025	2024
Investments in Subsidiaries & Joint Ventures - Shareholding (%)			
Subsidiaries			
Cranford Street Properties Limited		100	100
Cameron Road Properties Limited - (In Liquidation 06/01/2025 to 02/04/2025)		100	100
Joint Ventures			
FSS Management Limited		41	41

Investment in Joint Venture - FSS Management Limited

The Group has a 41% interest in FSS Management Limited, which is involved in the business management of commercial property investment companies. FSS Management Limited is a private entity that is not listed on any public exchange. The Group's interest in FSS Management Limited is accounted for using the equity method in the consolidated financial statements.

The following table illustrates the summarised financial information of the Groups investment in FSS Management Limited:

	NOTES	2025	2024
Summarised Financial Information (Statement of Financial Position) - FSS Management Limited			
Statement of Financial Position			
Current Assets		153,496	172,563
Non-Current Assets		3,115	3,739
Current Liabilities		(51,167)	(65,072)
Shareholders Current Accounts		(100,000)	(100,000)
Non-Current Liabilities		-	(8,964)
Equity		5,443	2,266
	NOTES	2025	2024
Summarised Financial Information (Statement of Profit or Loss) - FSS Management Limited			
Statement of Profit or Loss			
Revenue From Contracts With Customers		294,055	336,307
Interest Received		1,696	-
Operational Costs		(223,541)	(275,399)
Administrative Expenses		(66,836)	(59,575)
Total Statement of Profit or Loss		5,374	1,333
Profit / (Loss) Before Tax		5,374	1,333
Income Tax Expense		(2,197)	(610)
Income Tax Expense		(2,197)	(610)
Total Income Tax Expense			
Profit / (Loss) for the Year		3,177	723
Group's Share of Profit / (Loss) for the Year		1,302	296
	NOTES	2025	2024
Reconciliation of Investment in FSS Management Limited (41%)			
Investment at Beginning of Period		41,929	41,617
Minor Prior Year Adjustment		-	16
Funds Advanced to Joint Venture for the Period		-	-
Share of Profit or (Loss) for the Period		1,302	296
Investment at End of Period		43,231	41,929

The joint venture had no contingent liabilities or capital commitments as at 31 March 2025. (2024: NIL)

31. Contingent Assets and Contingent Liabilities

The Group has an insurance claim in process in regard to the Cranford Street Property of which is yet to be settled.
The amount of any possible obligation cannot be reliably estimated at the time of authorising the financial statements.

32. Capital Commitments

There are no capital commitments at year end (Last Year: \$Nil)

33. Subsequent Events**Court of Appeal**

A judgment from the Court of Appeal case as described in note 6 was released on 11 June. The ruling confirms that First NZ Properties Limited has a right to receive a settlement from the parties at the end of the reporting period. A reliable estimate of the amount is now able to be made and therefore other income totalling \$1,131,155 and a corresponding current asset have been recognised in the 2025 annual financial statements.

Dividend Declared

The Directors resolved to pay a dividend to the shareholders as at 9 June 2025.

The gross dividend was 38 cents per share and this was fully imputed.

The dividend was authorised for payment on or about 13 June 2025 in cash to all holders of ordinary shares in the company as at 9 June 2025.

The Directors resolved to pay a dividend to the shareholders as at 14 July 2025.

The gross dividend was 67 cents per share and this was fully imputed.

The dividend was authorised for payment on or about 15 July 2025 in cash to all holders of ordinary shares in the company as at 14 July 2025.

	NOTES	2025	2024
34. Earnings Per Share			
Amounts used as the numerator to profit or loss			
Profit / (Loss) for the year and earnings used in basic and diluted EPS		(60,032)	700,152
Profit / (Loss) for the year and earnings from continuing operations used in basic and diluted EPS		389,981	(207,954)
Weighted average of shares used as the denominator to profit or loss			
Weighted average number of shares used in basic and diluted EPS		1,725,655	2,095,000
Basic and diluted earnings / (loss) per share (cents)		(3)	33
Basic and diluted earnings / (loss) from continuing operations per share (cents)		23	2
	NOTES	2025	2024

35. Reconciliation of the net cash flow from operating activities to profit (loss)

Net profit / (loss) after tax		(60,032)	700,152
Changes in Assets and Liabilities			
(Increase) / decrease in accounts receivable		28,115	(40,536)
Increase / (decrease) in accounts payable		(2,725)	28,363
(Increase) / Decrease in Property Valuations		-	(525,000)
Increase / (decrease) in GST payable		4,108	(39,791)
Increase / (decrease) in income tax		623,259	83,432
Total Changes in Assets and Liabilities		652,757	(493,533)
Non-Cash Movements			
(Increase) / Decrease in Pending Proceeds from High Court Judgment		(1,151,839)	-
(Increase) / Decrease in Rental Rebates to be Amortised Over Remaining Lease Periods		22,675	22,675
(Profit) / Loss in Investment Income of Joint Ventures		(1,303)	460
Total Non-Cash Movements		(1,130,467)	23,135
Net cash inflow / (outflow) from operating activities		(537,741)	229,755
	NOTES	2025	2024

36. Reconciliation of the Net Cash Flow from Financing Activities to Financing Liabilities

Net Change in Financing Liabilities for Period		11,554,403	(1,547,121)
Repayment of short-term loans		(7,976,879)	(1,547,121)
Dividends Paid		(1,483,337)	-
Capital Distribution		(2,094,186)	-
Net Cash Inflow / (Outflow) from Financing Activities		(11,554,403)	(1,547,121)

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SUPERSTORE PROPERTIES LIMITED

Opinion

We have audited the consolidated financial statements of Superstore Properties Limited ("the Company") and its subsidiaries (together, "the Group"), which comprise the consolidated statement of financial position as at 31 March 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and IFRS® Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ("ISAs (NZ)"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards)* (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Company or any of its subsidiaries.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the matter was addressed in our audit
<p>Valuation of Investment Property</p> <p>The Group's Investment Property comprise of land and a building in Christchurch. The property was valued at \$8,000,000 (2024: \$8,625,000) with a net loss in fair value of \$625,000 recognised in the consolidated statement of profit or loss and other comprehensive income (2024: \$375,000 net loss in fair value)</p> <p>We have included the valuation of the investment property as a key audit matter due to:</p>	<p>Our procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> Assessed the valuation reports prepared by Management's expert, including the methodology employed and key assumptions and estimates use; Evaluated whether the expert had the necessary competence, capabilities, experience and objectivity to undertake the valuations; Communicating with the valuer to understand the valuation process adopted. With the purpose of the meeting being to identify and challenge the critical judgement areas in the valuation model

- The significance to the financial statements - investment property accounts for 58% of the total assets of the Group (2024: 32%), making it a significant balance on the consolidated statement of financial position;
- The complexity of the valuation model: The valuation model is complex and relies on various estimates and underlying assumptions, such as capitalisation rates, discount rates, lease terms, current market rent and anticipated growth based on available market data.
- The property valuation requires the use of judgments specific to the property, as well as consideration of the prevailing market conditions.

- and to confirm the valuation approach was in accordance with NZ IFRS 13 *Fair Value Measurement*, and NZ IAS 40 *Investment Property*;
- Engaged our own internal expert to critique and challenge the work performed by Management's expert, assumptions used and the appropriateness of the valuation methodology adopted; Our specialists focused on the appropriateness of the valuation methodology chosen, and the appropriateness of the capitalisation rates and discount rates applied; and
- We considered the adequacy of the disclosures made in Notes 17 and 21 to the financial statements, which set out the key judgements and estimates.

Financial impact and disclosure resulting from court proceedings

Subsequent to reporting date, the Court of Appeal ruled on an ongoing legal case that the Group has been party to. This has been disclosed at Note 6, and Note 33.

Management assessed this event as an adjusting subsequent event under NZ IAS 10 *Events after the Reporting Period*, and recognised a net receivable of \$1,151,839 as at 31 March 2025.

This matter was included as a key audit matter due to the following reasons:

- This event has been disclosed for a number of years as a contingency as court proceedings were ongoing; and
- The judgement involved in determining whether the event provided evidence of conditions that existed at the reporting date.

Our procedures included, but were not limited to the following:

- Evaluating management's assessment of the event as an adjusting subsequent event in accordance with NZ IAS 10 *Events after the Reporting Period*.
- Reviewing correspondence and announcements from any ruling to understand the timing and nature of the event.
- Obtained legal representation letters on the matter and reviewed Trust account settlements.
- Reviewed minutes of board meetings.
- Held discussions with the Directors and Management.
- Reviewing the settlement amount recognised in the consolidated financial statements back to supporting evidence.
- Reviewing the adequacy of disclosures in the consolidated financial statements regarding the nature of the event and the basis for adjustment.

Other Information

The directors are responsible for the other information. The other information comprises the Annual Report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we

conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors' Responsibilities for the Consolidated Financial Statements

The directors are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS and IFRS Accounting Standards, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible on behalf of the Group for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board's website at: <https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-1-1/>.

This description forms part of our auditor's report.

Who we Report to

This report is made solely to the Company's shareholders, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report or for the opinions we have formed.

The engagement partner on the audit resulting in this independent auditor's report is Amy Goodman.

BDO Christchurch Audit Limited

BDO Christchurch Audit Limited
Christchurch
New Zealand
31 July 2025

Directory

Superstore Properties Limited **For the year ended 31 March 2025**

Nature of Business

Commercial Investment Property

Registered Office

FSS Management Limited
126 Tahunanui Drive
Nelson 7011

Date of Incorporation

25 January 1999

Incorporation Number

942750

New Zealand Business Number

9429037675127

IRD Number

071-404-544

Directors

John Murray
Damien Prendergast

Bankers

ANZ
248 Trafalgar Street
Nelson 7010

Solicitors

Duncan Cotterill
197 Bridge Street
Nelson 7010

Auditors

BDO Christchurch Audit Limited
Awly Building - Level 4
287-293 Durham Street
Christchurch 8013

Chartered Accountant

RWCA Limited
Level 3, 7 Alma Street
Nelson 7010

Investment Manager, Property Manager

FSS Management Limited
Unit 1, 126 Tahunanui Drive
Tahunanui
Nelson 7011

Superstore Properties Limited

(the Company)

Directors' Interests Register

Full name of director	Nature of interest	Value/extent of interest	Date disclosed
Damien Prendergast	Damien was appointed a director of the Company.	Three-year appointment for a fixed fee of \$8,200 per year.	7 May 2020
Craig Dennis	Craig was appointed a director of the Company.	Three-year appointment for a fixed fee of \$12,300 per year.	7 May 2020
Craig Dennis	Craig in his personal capacity entered into a deed of access, indemnity and insurance with the Company.	The deed of indemnity indemnifies Craig against any liability incurred by Craig as an officer of the Company other than liability to the Company or a related body corporate, liability arising out of conduct involving lack of good faith or if the indemnity is prohibited by statutory provision. The deed also grants Craig access to documents and information relating to the Company.	6 May 2020
Damien Prendergast	Damien in his personal capacity entered into a deed of access, indemnity and insurance with the Company.	The deed of indemnity indemnifies Damien against any liability incurred by Damien as an officer of the Company other than liability to the Company or a related body corporate, liability arising out of conduct involving lack of good faith or if the indemnity is prohibited by statutory provision. The deed also grants Damien access to documents and information relating to the Company.	6 May 2020
Damien Prendergast	Damien resigned at the 2020 AGM and was re-appointed as a director of the Company	Damien resigned as director at the 2020 AGM and was subsequently re-appointed as a director of the Company, together with John Murray	28 September 2020
John Murray	John was appointed as a director of the Company under a letter of appointment.	Three-year appointment for a fee of \$18,450 per year, for up to 74 hours per year and any hours undertaken over 74 to be	28 September 2020

		charged at \$250.00 per hour.	
John Murray	John in his personal capacity entered into a deed of indemnity and access with the Company.	<p>The deed of indemnity indemnifies John to the maximum extent permitted by section 162 of the Companies Act 1993 (the Act) and allows John access to company documents.</p> <p>The deed contemplates effecting directors' and officers' liability insurance. It is intended that this cover John for liability up to \$1,000,000 on the normal terms for that type of cover issued by VERO Liability Insurance Ltd.</p>	28 September 2020
Damien Prendergast	Damien in his personal capacity entered into a deed of indemnity and access with the Company	<p>The deed of indemnity indemnifies Damien to the maximum extent permitted by section 162 of the Act and allows Damien access to company documents.</p> <p>The deed contemplates effecting directors' and officers' liability insurance. It is intended that this cover Damien for liability up to \$1,000,000 on the normal terms for that type of cover issued by VERO Liability Insurance Ltd.</p>	28 September 2020
Damien Prendergast	Damien is a director and 50% shareholder of A & J Enterprises 2006 Limited. A & J Enterprises Limited is a shareholder of the Company. Damien will receive dividends from the Company from time to time through A & J Enterprises Limited.	Such dividends will be proportionate to A & J Enterprises 2006 Limited's shareholding in the Company.	24 November 2020 (ongoing)
Damien Prendergast	Damien declares his associated interest that his wife, Rebecca Prendergast is also a 50% shareholder of A & J Enterprises 2006 Limited. A & J Enterprises Limited is a shareholder of the Company. Rebecca will	Such dividends will be proportionate to A & J Enterprises 2006 Limited's shareholding in the Company.	24 November 2020 (ongoing)

Craig Dennis	<p>receive dividends from the Company from time to time through A & J Enterprises Limited.</p> <p>Craig in his personal capacity entered into deeds of guarantee and agreements to mortgage with Cranford Street Properties Limited and Cameron Road Properties Limited (being wholly owned subsidiaries of the Company).</p>	<p>The Company has granted a mortgage over properties held by it (through its wholly owned subsidiaries) in favour of Craig to secure the Company's obligations to Craig under the deed of indemnity entered into by Craig and the Company.</p>	15 December 2020
John Murray	<p>John in his personal capacity entered into deeds of guarantee and agreements to mortgage with Cranford Street Properties Limited and Cameron Road Properties Limited (being wholly owned subsidiaries of the Company). John is also a director of Cranford Street Properties Limited and Cameron Road Properties Limited.</p>	<p>The Company has granted a mortgage over properties held by it (through its wholly owned subsidiaries) in favour of John to secure the Company's obligations to John under the deed of indemnity entered into by John and the Company.</p>	15 December 2020
Damien Prendergast	<p>Damien in his personal capacity entered into deed of guarantee and agreements to mortgage with Cranford Street Properties Limited and Cameron Road Properties Limited (being wholly owned subsidiaries of the Company). Damien is also a director of Cranford Street Properties Limited and Cameron Road Properties Limited.</p>	<p>The Company has granted a mortgage over properties held by it (through its wholly owned subsidiaries) in favour of Damien to secure the Company's obligations to Damien under the deed of indemnity entered into by Damien and the Company.</p>	15 December 2020
John Murray	<p>The Company entered into a shareholders' agreement with First NZ Properties Limited, Springs Road Property Limited and FSS Management Limited. John is a director of each of these companies.</p>	<p>The shareholders' agreement sets out the terms on which the Company, First NZ Properties Limited and Springs Road Property Limited will hold shares in FSS Management Limited.</p>	17 December 2020
Damien Prendergast	<p>The Company entered into a shareholders'</p>	<p>The shareholders' agreement sets out the</p>	17 December 2020

John Murray	<p>agreement with First NZ Properties Limited, Springs Road Property Limited and FSS Management Limited. Damien is a director of each of these companies.</p> <p>The Company entered into a management agreement with FSS Management Limited (FSS) pursuant to which FSS will provide management services to the Company. John is a director of FSS.</p>	<p>terms on which the Company, First NZ Properties Limited and Springs Road Property Limited will hold shares in FSS Management Limited.</p> <p>The Company will pay the following Fees to FSS:</p> <ul style="list-style-type: none"> • 9% of net rental from the properties per annum plus GST; • for matters not contemplated by schedule 1 of the agreement the Company will pay on a time and attendance basis of \$120 per hour; <p>FSS may at its discretion provide a rebate to the Company.</p>	31 March 2021
Damien Prendergast	<p>The Company entered into a management agreement with FSS pursuant to which FSS will provide management services to the Company. Damien is a director of FSS.</p>	<p>The Company will pay the following Fees to FSS:</p> <ul style="list-style-type: none"> • 9% of net rental from the properties per annum plus GST; • for matters not contemplated by schedule 1 of the agreement the Company will pay on a time and attendance basis of \$120 per hour; <p>FSS may at its discretion provide a rebate to the Company.</p>	31 March 2021
Craig Dennis	<p>Craig in his personal capacity entered into deeds of postponement with Cranford Street Properties Limited and Cameron Road Properties Limited (wholly owned subsidiaries of the Company) in favour of ANZ.</p>	<p>The deed of postponement is required by ANZ for ANZ to consent to the granting of a second ranking mortgage by the Company in favour of Craig. The deed of postponement restricts the Company and Craig from taking certain actions in relation to any amount the Company owes Craig under the mortgage.</p>	13 April 2021
John Murray	<p>John in his personal capacity entered into deeds of postponement with Cameron Road Properties Limited and Cranford Street Properties Limited (being</p>	<p>The deed of postponement is required by ANZ for ANZ to consent to the granting of a second ranking mortgage by the Company in favour of John. The deed of</p>	13 April 2021

	<p>wholly owned subsidiaries of the Company) in favour of ANZ. John is also a director of Cameron Road Properties Limited and Cranford Street Properties Limited.</p>	<p>postponement restricts the Company and John from taking certain actions in relation to any amount the Company owes John under the mortgage.</p>	
Damien Prendergast	<p>Damien in his personal capacity entered into deeds of postponement with Cameron Road Properties Limited and Cranford Street Properties Limited (being wholly owned subsidiaries of the Company) in favour of ANZ. Damien is also a director of Cameron Road Properties Limited and Cranford Street Properties Limited.</p>	<p>The deed of postponement is required by ANZ for ANZ to consent to the granting of a second ranking mortgage by the Company in favour of Damien. The deed of postponement restricts the Company and Damien from taking certain actions in relation to any amount the Company owes Damien under the mortgage.</p>	13 April 2021
Damien Prendergast	<p>Damien was appointed as a director of the Company under a letter of appointment on 7 May 2020.</p>	<p>Three-year appointment for a fee of \$8,200 per year as from 7 May 2020. Addition: Any excess hours undertaken, apportioned between the Companies, to be charged at \$150.00 per hour.</p>	1 October 2021
John Murray	<p>John in his personal capacity entered into a deed of variation and restatement of deed of indemnity and access with the Company.</p>	<p>The deed of variation and restatement varies and restates the deed of indemnity entered in by John and the Company on 28 September 2020. The variations include the requirement that the Company pay an amount of \$75,000 to an escrow agent to be held in escrow for the purposes of meeting any costs which John and/or Damien may incur for which the Company has agreed to indemnify them in accordance with clauses 2.1.1 and 2.1.3 of the deed of indemnity.</p>	22 December 2021
Damien Prendergast	<p>Damien in his personal capacity entered into a deed of variation and restatement of deed of indemnity and access with the Company.</p>	<p>The deed of variation and restatement varies and restates the deed of indemnity entered in by Damien and the Company on 28 September 2020.</p>	22 December 2021

		<p>The variations include the requirement that the Company pay an amount of \$75,000 to an escrow agent to be held in escrow for the purposes of meeting any costs which John and/or Damien may incur for which the Company has agreed to indemnify them in accordance with clauses 2.1.1 and 2.1.3 of the deed of indemnity.</p>	
John Murray	John in his personal capacity entered into an escrow agreement with the Company, Damien and Rout Milner Fitchett.	<p>The escrow agreement sets out the terms on which the escrow funds (as contemplated by the deed of variation and restatement of deed of indemnity) will be held by Rout Milner Fitchett (as escrow agent).</p>	22 December 2021
Damien Prendergast	Damien in his personal capacity entered into an escrow agreement with the Company, John and Rout Milner Fitchett.	<p>The escrow agreement sets out the terms on which the escrow funds (as contemplated by the deed of variation and restatement of deed of indemnity) will be held by Rout Milner Fitchett (as escrow agent).</p>	22 December 2021
John Murray	The Company has increased John's hourly rate for director services provided to the Company for any excess hours undertaken.	<p>John's hourly rate has been increased from \$250 per hour to \$350 per hour.</p> <p>Any excess hours undertaken are apportioned between the Companies.</p>	26 April 2022
Damien Prendergast	Damien has received from Colleen Prendergast's estate a further relevant interest in shares in the Company.	<ul style="list-style-type: none"> • Number and class: 6,000 ordinary shares. • Nature of relevant interest: Received by Damien Prendergast, Brown & Associates Trustees Limited and Andrea Prendergast as trustees of the Killaloe No.2 Family Trust. Damien is settlor, appointor, trustee and discretionary beneficiary of the trust. • Consideration: Nil. • Date of transfer: 8 February 2023 	8 February 2023.

Damien Prendergast	Damien declares his associated interest through his sister, Andrea Jane Prendergast, who received from Colleen Prendergast's estate a relevant interest in shares in the Company.	<ul style="list-style-type: none"> • Number and class: 6,000 ordinary shares. Total shareholding is 12,600 • Nature of relevant interest: received by Andrea Jane Prendergast. • Consideration: Nil. • Date of transfer: 8 February 2023 	8 February 2023.
Damien Prendergast	Damien declares his associated interest through his daughter, Alana Sophie Prendergast, who has a relevant interest in shares in the Company.	<ul style="list-style-type: none"> • Number and class: 1,000 ordinary shares. • Nature of relevant interest: Received by Alana Sophie Prendergast. • Consideration: \$4.20 • Date of transfer: 24 May 2016 	20 May 2023
Damien Prendergast	Damien was re-appointed as a director of the Company at the Company's AGM on 15 September 2023.	<ul style="list-style-type: none"> • Three-year appointment • Annual fee of \$30,000 per year (based on 12.5 hours of work per month) • Additional hours to be charged at \$250 per hour • Increased annually at 30 September based on annual CPI increase • Both the annual fee and cost of additional hours will be split between the Company and First NZ Properties Limited with the Company being responsible for 39% of the cost 	26 October 2023
John Murray	John was re-appointed as a director of the Company at the Company's AGM on the 15 September 2023.	<ul style="list-style-type: none"> • Three-year appointment • Annual fee of \$45,000 per year (based on 12.5 hours of work per month) • Additional hours to be charged at \$385 per hour • Increased annually at 30 September based on annual CPI increase • Both the annual fee and cost of additional 	26 October 2023

		hours will be split between the Company and First NZ Properties Limited with the Company being responsible for 39% of the cost	
Damien Prendergast	Damien declares his interest, as a director of Cameron Road Properties Limited, in the conditional sale of its property at 483 Cameron Road (including entry into all associated documentation).	The Company is the sole shareholder of Cameron Road Properties Limited and Damien, through his shareholding A & J Enterprises 2006 Limited, is a shareholder of the Company. Damien is a director of Cameron Road Properties Limited.	4 December 2023
John Murray	John declares his interest, as a director of Cameron Road Properties Limited, in the conditional sale of its property at 483 Cameron Road (including entry into all associated documentation).	The Company is the sole shareholder of Cameron Road Properties Limited and John is a director of the Company.	4 December 2023
Damien Prendergast	Damien declares his interest, as a director of Cranford Street Properties Limited, in the entry into a settlement agreement and discharge with IAG New Zealand Limited, Fletcher Building Limited and ANZ Bank New Zealand Limited.	The Company is the sole shareholder of Cranford Street Properties Limited and Damien, through his shareholding A & J Enterprises 2006 Limited, is a shareholder of the Company. Damien is a director of Cranford Street Properties Limited	4 December 2023
John Murray	John declares his interest, as a director of Cranford Street Properties Limited, in the entry into a settlement agreement and discharge with IAG New Zealand Limited, Fletcher Building Limited and ANZ Bank New Zealand Limited.	The Company is the sole shareholder of Cranford Street Properties Limited and John is a director of Cranford Street Properties Limited.	4 December 2023
John Murray	The Company entered into a deed of variation of management agreement with FSS.	The deed of variation of management agreement amended the fees payable by the Company for services provided by FSS.	1 April 2024

	<p>John is a director of FSS.</p> <p>The amendments are as follows:</p> <ul style="list-style-type: none"> • In the event that a subsidiary company sells its associated property, the Company will pay FSS up to 1.5% annually plus GST of the total managed funds held in all bank accounts. FSS has the ability to review the percentage at every yearly budget. • For matters not contemplated by schedule 1 of the agreement the Company will pay on a time and attendance basis of \$150 per hour. 	
Damien Prendergast	<p>The Company entered into a deed of variation of management agreement with FSS.</p> <p>Damien is a director of FSS.</p>	<p>The deed of variation of management agreement amended the fees payable by the Company for services provided by FSS. The amendments are as follows:</p> <ul style="list-style-type: none"> • In the event that a subsidiary company sells its associated property, the Company will pay FSS up to 1.5% annually plus GST of the total managed funds held in all bank accounts. FSS has the ability to review the percentage at every yearly budget. • For matters not contemplated by schedule 1 of the agreement the Company will pay on a time and attendance basis of \$150 per hour. <p>1 April 2024</p>
Damien Prendergast	<p>Damien declares his interest, as a shareholder of A & J Enterprises 2006 Limited (being a shareholder of the Company) in the Company's decision to pay a dividend to its shareholders.</p>	<p>Damien owns shares in A & J Enterprises 2006 Limited which owns shares in the Company. Such dividends will be proportionate to A & J Enterprises 2006 Limited's shareholding in the Company.</p> <p>10 May 2024</p>

Damien
Prendergast

Damien in his personal capacity entered a deed of variation and restatement of the deed of indemnity and access, and a specific security deed with the Company.

The deed of variation and restatement of the deed of indemnity and access:

24 May 2024

- increases the escrow amount to be held by the escrow agent for the purposes of meeting any costs which John and/or Damien may incur for which the Company has agreed to indemnify them in accordance with clauses 2.1.1 and 2.1.3 of the deed of indemnity from \$75,000 to an amount to be determined by the directors up to a maximum of \$150,000; and
- grants the directors security in the funds to be received by the Company on settlement of the sale of the property owned by Cameron Road Properties Limited, to be secured by a specific security deed.

The specific security deed grants the directors security in the amount of proceeds of settlement of the sale of the property at 483 Cameron Road, to be deposited in an account in the Company's name, with such secured money to be used to cover any amount relating to obligations of the Company to the directors under the deeds of indemnity.

Damien
Prendergast

Damien in his personal capacity entered into a deed of variation and restatement of deed of guarantee, and a specific security deed with Cameron Road Properties Limited.

Cameron Road Properties Limited is a wholly owned subsidiary

Cameron Road Properties Limited has guaranteed the performance of the Company's obligations under the deeds of indemnity. To support the guarantee Cameron Road Properties Limited granted a mortgage over the property owned by it in favour of the directors. This property has now been sold. As part of the

24 May 2024

of the Company. Damien is a director of the Company and of Cameron Road Properties Limited.

sale the directors agreed to discharge the mortgage held over the property and, in its place, have taken a specific security in Cameron Road Properties Limited's bank account which holds the funds of the sale. The deed of variation and restatement of deed of guarantee records this variation. This security is secured by a specific security deed executed by Cameron Road Properties Limited (as debtor).

John Murray

John in his personal capacity entered a deed of variation and restatement of the deed of indemnity and access, and a specific security deed with the company.

The deed of variation and restatement of the deed of indemnity and access:

24 May 2024

- increases the escrow amount to be held by the escrow agent for the purposes of meeting any costs which John and/or Damien may incur for which the Company has agreed to indemnify them in accordance with clauses 2.1.1 and 2.1.3 of the deed of indemnity from \$75,000 to an amount to be determined by the directors up to a maximum of \$150,000; and
- grants the directors security in the funds to be received by the Company on settlement of the sale of the property owned by Cameron Road Properties Limited, to be secured by a specific security deed.

The specific security deed grants the directors security in the amount of proceeds of settlement of the sale of the property at 483 Cameron Road, to be deposited in an account in the Company's name, with such secured money to be used to cover any amount

		relating to obligations of the Company to the directors under the deeds of indemnity.	
John Murray	<p>John in his personal capacity entered into a deed of variation and restatement of deed of guarantee, and a specific security deed with Cameron Road Properties Limited.</p> <p>Cameron Road Properties Limited is a wholly owned subsidiary of the Company. John is a director of the Company and of Cameron Road Properties Limited.</p>	<p>Cameron Road Properties Limited has guaranteed the performance of the Company's obligations under the deeds of indemnity. To support the guarantee Cameron Road Properties Limited granted a mortgage over the property owned by it in favour of the directors. This property has now been sold. As part of the sale the directors agreed to discharge the mortgage held over the property and, in its place, have taken a specific security in Cameron Road Properties Limited's bank account which holds the funds of the sale. The deed of variation and restatement of deed of guarantee records this variation. This security is secured by a specific security deed executed by Cameron Road Properties Limited (as debtor).</p>	24 May 2024
Damien Prendergast	<p>Damien, in his capacity as a director of the Company entered into a loan agreement with ANZ.</p> <p>To give effect to the loan agreement Damien (in his personal capacity) was required to enter into a deed of partial release of security.</p>	<p>The Company entered into a short term loan agreement with ANZ. The loan is secured by ANZ being granted authority over a deposit held by the Company. The deposit was subject to a specific security deed entered into by the Company and John and Damien (in their personal capacities). Damien agreed to enter into a deed of partial release of the security which released and discharged the deposit from the security interests granted to John and Damien.</p>	12 August 2024
John Murray	<p>John, in his capacity as a director of the Company entered into a loan agreement with ANZ.</p>	<p>The Company entered into a short term loan agreement with ANZ. The loan is secured by ANZ</p>	12 August 2024

To give effect to the loan agreement John (in his personal capacity) was required to enter into a deed of partial release of security.

being granted authority over a deposit held by the Company. The deposit was subject to a specific security deed entered into by the Company and John and Damien (in their personal capacities). John agreed to enter into a deed of partial release of the security which released and discharged the deposit from the security interests granted to John and Damien.

John Murray	In accordance with the terms of John's appointment as director on 26 October 2023, John's annual director fee and charge-out rate for additional hours has increased to reflect the annual CPI increase as at 30 September.	Per the terms of John's appointment as a director, John's annual director fee and charge-out rate for additional hours has been increased by 3.3% to reflect the annual CPI increase. This results in the following: <ul style="list-style-type: none"> • annual fee of \$46,498.78 (apportioned between the Company and First NZ Properties Limited based on equity values); and • additional hours to be charged at \$397.82 per hour. 	30 September 2024
Damien Prendergast	In accordance with the terms of Damien's appointment as director on 26 October 2023, Damien's annual director fee and charge-out rate for additional hours has increased to reflect the annual CPI increase as at 30 September.	Per the terms of Damien's appointment as a director, Damien's annual director fee and charge-out rate for additional hours has been increased by 3.3% to reflect the annual CPI increase. This results in the following: <ul style="list-style-type: none"> • annual fee of \$30,999 (apportioned between the Company and First NZ Properties Limited based on equity values); and • additional hours to be charged at \$258.33 per hour. 	30 September 2024
John Murray	John, in his capacity as director of the Company, increased the escrow amount held pursuant to	The amount held in escrow was increased from \$75,000 to \$150,000. This increase was	22 October 2024

	<p>the deed of variation and restatement of deed of indemnity and access.</p> <p>John is a party to the deed of variation and restatement of deed of indemnity and access in his personal capacity.</p>	<p>provided for in the deed of variation and restatement of deed of indemnity and access, which was approved by director resolution dated 24 May 2024.</p>	
Damien Prendergast	<p>Damien, in his capacity as director of the Company, increased the escrow amount held pursuant to the deed of variation and restatement of deed of indemnity and access.</p> <p>Damien is a party to the deed of variation and restatement of deed of indemnity and access in his personal capacity.</p>	<p>The amount held in escrow was increased from \$75,000 to \$150,000. This increase was provided for in the deed of variation and restatement of deed of indemnity and access, which was approved by director resolution dated 24 May 2024.</p>	22 October 2024
Damien Prendergast	<p>Damien declares his interest as a director of the Company and:</p> <ul style="list-style-type: none"> a trustee and beneficiary of the Killaloe No.2 Family Trust (being a shareholder of the Company); a trustee and beneficiary of the Prendergast Family Trust which is the 98% shareholder of A & J Enterprises 2006 Limited (being a shareholder of the Company); and in his individual capacity, a 1% shareholder of A & J Enterprises 2006 Limited (being a shareholder of the Company), <p>in the Company's decision to redeem some of its shares on a pro rata basis in accordance with its constitution and the Act.</p>	<p>The Company has decided to use funds held by it to return the Company's available subscribed capital to shareholders by exercising its option to redeem some of its shares from shareholders on a pro rata basis. The market value of the Company's shares has been determined to be \$5.67 per share. Damien will receive a financial benefit from the share redemption by being a trustee and beneficiary of the Killaloe. Additionally, Damien will receive a financial benefit from the share redemption through his individual shareholding and by being a trustee and beneficiary of the Prendergast Family Trust which is the majority shareholder in A & J Enterprises 2006 Limited. Such benefit will be proportional to A & J Enterprises 2006 Limited's shareholding in the Company.</p>	21 March 2025
Damien Prendergast	<p>Damien declares his associated interest being</p>	<p>The Company has decided to use funds held</p>	21 March 2025

	<p>that his wife, Rebecca Prendergast is</p> <ul style="list-style-type: none"> • a trustee and beneficiary of the Prendergast Family Trust, which is the 98% shareholder of A & J Enterprises 2006 Limited (being a shareholder of the Company); and • in her individual capacity, a 1% shareholder of A & J Enterprises 2006 Limited (being a shareholder of the Company), <p>in the Company's decision to redeem some of its shares on a pro rata basis in accordance with the Constitution and the Act.</p>	<p>by it to return the Company's available subscribed capital to shareholders by exercising its option to redeem some of its shares from shareholders on a pro rata basis. The market value of the Company's shares has been determined to be \$5.67 per share. Damien (through his associated interest with Rebecca) will receive a financial benefit from the share redemption through Rebecca's individual shareholding and by being a trustee and beneficiary of the Prendergast Family Trust which is the majority shareholder, in A & J Enterprises 2006 Limited. Such benefit will be proportional to A & J Enterprises 2006 Limited's shareholding in the Company.</p>	
Damien Prendergast	<p>Damien declares his associated interest through his daughter, Alana Sophie Prendergast, and his sister, Andrea Jane Prendergast, who each have shareholdings in the Company and the Company's decision to redeem some of its shares on a pro rata basis in accordance with the Constitution and the Act.</p>	<p>The Company has decided to use funds held by it to return the Company's available subscribed capital to shareholders by exercising its option to redeem some of its shares from shareholders on a pro rata basis. The market value of the Company's shares has been determined to be \$5.67 per share. Damien's daughter and sister will receive a financial benefit from the share redemption through their respective shareholdings in the Company.</p>	21 March 2025