

Superstore Properties Limited

Minutes of Annual General Meeting: Held 12 September 2025

from 11.00am

Brook Room, Tides Hotel, Trafalgar Street, Nelson

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- **Welcome to all – Chair John Murray:** Including those present and via Livestream.
 - **Introduction** of the staff and directors.
 - **Present:** John Murray (Chair), Damien Prendergast (Director), Richard Eberlein (Property Manager), Paul Rosanowski (Project Manager), and Kathy Tatlock (Minute Secretary).

Shareholders in attendance

- Peter Truman
 - Manatu Ltd
 - Jillian Truman F/T
 - Porthleven Ltd
- Frank Saxton
- Judy Fanselow
- Damien Prendergast
 - A&J Enterprises Ltd

<u>Proxies Held</u>	<u>Shares @</u> <u>Mtg</u>
Andrea Prendergast	10,379
Catherine Rickards	16,474
A & J Enterprises Ltd	252,876
Margaret Bailey	4,118
Kathryn & Euan Brownlie	11,944
CNP Investment Holdings LP	953,213
Mary Ryan	824
Total Proxies	1,249,828

(All proxies held by the Chairman)

Apologies

Mandy Deans
Andrea Prendergast
Catherine Rickards
Margaret Bailey
Kathryn & Euan Brownlie
Craig Priscott
Mary Ryan
Paul Russell

- **Overview of the year 2024-2025 operations:**
 - The Company was busy dealing with Cranford Street, Court of Appeal and the sale of Cameron Road.

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- In May company paid a 15 cent gross fully imputed dividend.
- We received the judgment from the High Court and payment which was put into the Duncan Cotterill Trust.
- CNP Investment Holdings LP (CNP) sent an unsolicited offer to purchase shareholders shares at \$5.30 per share in July.
- Directors were concerned about the possible loss of ICAs – paid an 83 cent fully imputed dividend in August.
- CNP purchased 682,000 shares and held 55% of the total shares in the company.
- In January Cameron Road Properties Ltd was put into liquidation.
- In February 2025, a DSA report on Cranford Street property was received finding the NBS to be less than 34%.
- In March, the company redeemed 17.6% of the total shares. Redeemed at \$5.67 per share.
- Further dividends were paid in 2025:
 - June 2025 38 cents gross fully imputed
 - July 2025 67 cents gross fully imputed.
- **Syndex – secondary market:**
 - Continues to work well for the company in supplying the registry and secondary market functions.
 - The trading of the secondary market has been a bit sparse with only 6590 shares being traded (2024 = 23000 shares) have traded in the 2025 financial year. The price has ranged from \$4.60 to \$5.25 per share.
 - The last on market trade was in August at \$4.60 for 824 shares.
 - There are 133 Shareholders remaining in the company.
- **Overview of the legal actions of the Company:**
 - **High Court/Court of Appeal Proceedings.**
 - Mr Millar and ISL challenged their liability to pay the sum of \$644,945.26 plus GST to Superstore.
 - The Hearing took place on 2 April 2025 in the Court of Appeal.
 - Court of Appeal released its decision on 11 June 2025.
 - 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 arrangement 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 for \$644,945.26 (plus GST) and no costs order was made.
 - The effect this had on the High Court award is nil. Superstore retains the full amount awarded to it by the High Court.

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- For the year ended 31 March, the amount held on trust account was \$1.151m.

• **Financial Overview:**

	<u>2025</u>	<u>2024</u>	<u>Variance</u>
Total rental income	\$1,314,478	\$1,563,594	-\$249,116
Finance cost	\$120,475	\$797,058	-\$676,583
Profit from operations	\$1,446,698	\$287,175	\$1,159,523
Gain (Loss) on investment property	-\$625,000	\$525,000	-\$1,150,000
Profit after tax	-\$60,032	\$700,152	-\$760,184
Property valuation	\$8,000,000	\$26,625,000	-\$18,625,000
Equity	\$12,968,269	\$16,605,824	-\$3,637,555

	<u>2025</u>	<u>2024</u>	<u>Variance</u>
Bank - Term deposit	\$3,914,127	\$0	\$3,914,127
interest received	\$263,568	\$4,904	\$258,664
Earnings per share	-\$0.03	\$0.33	-\$0.36
Dividends paid	\$1,483,337	\$0	\$1,483,337
- per share	\$0.86	\$0.00	\$0.86
Net tangible assets	\$7.51	\$7.92	-\$0.41
Last traded price per share	\$5.00	\$5.30	-\$0.30
18/08/2025			

- Cranford Street rental same as last year. Cameron Road rental only up to May 2024 and Deferred Tax Adjustment from sale of Cameron Road added \$551,745.
- ANZ loan repaid when Cameron Road was sold.
- Increase in the profit from operations from the \$1.1m of other income from the Court of Appeal judgment.

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- Cranford Street property reduced by \$625,000 to \$8m. The \$900k uplift from Cameron Road was accounted for in 2024 year.
 - A loss of \$60k this year:
 - Cameron Road selling costs of \$622k accounted for this year.
 - Cranford Street property written down by \$625k.
 - Increase in tax provision to \$404k.
 - \$1.1m received following the Court of Appeal judgment.
 - Cameron Road deferred tax adjustment of \$550k.
 - Term deposit interest of \$263k.
 - Changes in Equity
 - March 2025 the company redeemed shares and paid out over \$2m. Shareholders received \$5.67 per share and 17.63% of shares were redeemed.
 - Dividends paid during the year totalled \$1.48m. Paid in May and August 2024.
 - \$3.9m in term deposits at year end. This following the repayment of the ANZ loan, payment of Dividends and capital distribution of \$3.6m and also income tax of \$550k.
 - The funds held during the year resulted in \$263k of interest received.
 - Earnings per share is -\$0.03 due to the loss in the P&L.
 - Net tangible asset now \$7.51 with 1,725,655 shares now in the company.
 - Last traded price was \$5.00 in August 2025.
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- **Property overview:**
 - **315-321 Cranford Street, Christchurch:**
 - The property comprises traditional late 1990's tilt-slab concrete warehouses. They provide a total of 4,360sqm of retail, drive-through, office and storage space.
 - **Placemakers** originally leased the premises in 1998 renewing their lease in 2008, 2014 and 2022 until 2028. They have the right to two further renewals of 6 years each, through to 2040.
 - The net rent is currently \$625,236pa but a market review was due in February 2025. This review is still under negotiation.
 - Following the 2010 earthquakes, major repairs to walls and roofs were completed, at the expense of the insurers. Floor slabs have not yet been repaired, but the tenant has remained in-situ throughout the repairs and is satisfied with the ongoing use of the building in its current condition.
 - The costs to repair the floors and part of the driveway have been agreed with insurers. However, as the works are best deferred, whilst the building is occupied, we elected to settle the remainder of the EQ claim, which has happened.
 - The tenant insures the property direct and is therefore liable to pay us the excess on the total claim which amounts to \$107,000.
 - Investigation following the EQ events reported that 66%NBS would be achieved upon completion of the wall and roof repairs. The government requires an NBS of no less than 34%, but insurers and tenants are seeking 67%.

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- A more recent Detailed Seismic Assessment gave an NBS of less than 20% in specific areas.
 - Engineers have prepared a scheme of strengthening works which are estimated to cost around \$300,000. This will improve the full building to 67%NBS. Meanwhile, the building remains fully insured, but with an excess equal to the settlement sum on the floor.
- **483 Cameron Road, Tauranga**
 - 483 Cameron Road, Tauranga was a 1990's tilt slab warehouse with a 100%+ NBS rating. It provided 5,015m² of retail and storage space, with 228 covered and open carparking spaces.
 - **The Warehouse Limited** had leased the property since 1999, with the current term of the lease due to expire in March 2025. Despite having further rights of renewal, it became apparent that the tenant did not intend to renew.
 - The tenant agreed to vacate earlier, and a sale of the property was agreed and settled on 31st May 2024.

AGM BUSINESS

- **General Business:**
 - **Seven (7) proxies were received – all of whom voted in the affirmative for the following 3 Resolutions.**
- **Resolution 1 – Adoption of the minutes of the 2024 annual meeting, held at DeLorenzo Motel, Trafalgar Street, Nelson. 6 September 2024.**

Passed unanimously
- **Resolution 2 – Approval of the Company's 2025 annual report.**

Passed unanimously
- **Resolution 3 – Appointment of BDO Christchurch Ltd as the Company's auditor for 2026 and authorising the Manager of the Company to fix the fees and expenses of the Company's auditor.**

Passed unanimously

General Business:

- 1) **Director's Fees were questioned:** How they are paid is disclosed in the Interest Register and in the Annual Report.
 - 2) **Where to from here?** We still have a property in Christchurch; looking for other investments (nothing suitable at present);
 - 3) **John gave thanks to:** Damien, Richard, Kathy, Paul, RWCA, BDO, Duncan Cotterill, Russell McVeagh, Shareholders, Peter and Craig and Tui Video
- **The meeting closed at 11.37am with a vote of thanks to all who attended.**