

PROPERTY IMPROVEMENTS LIMITED

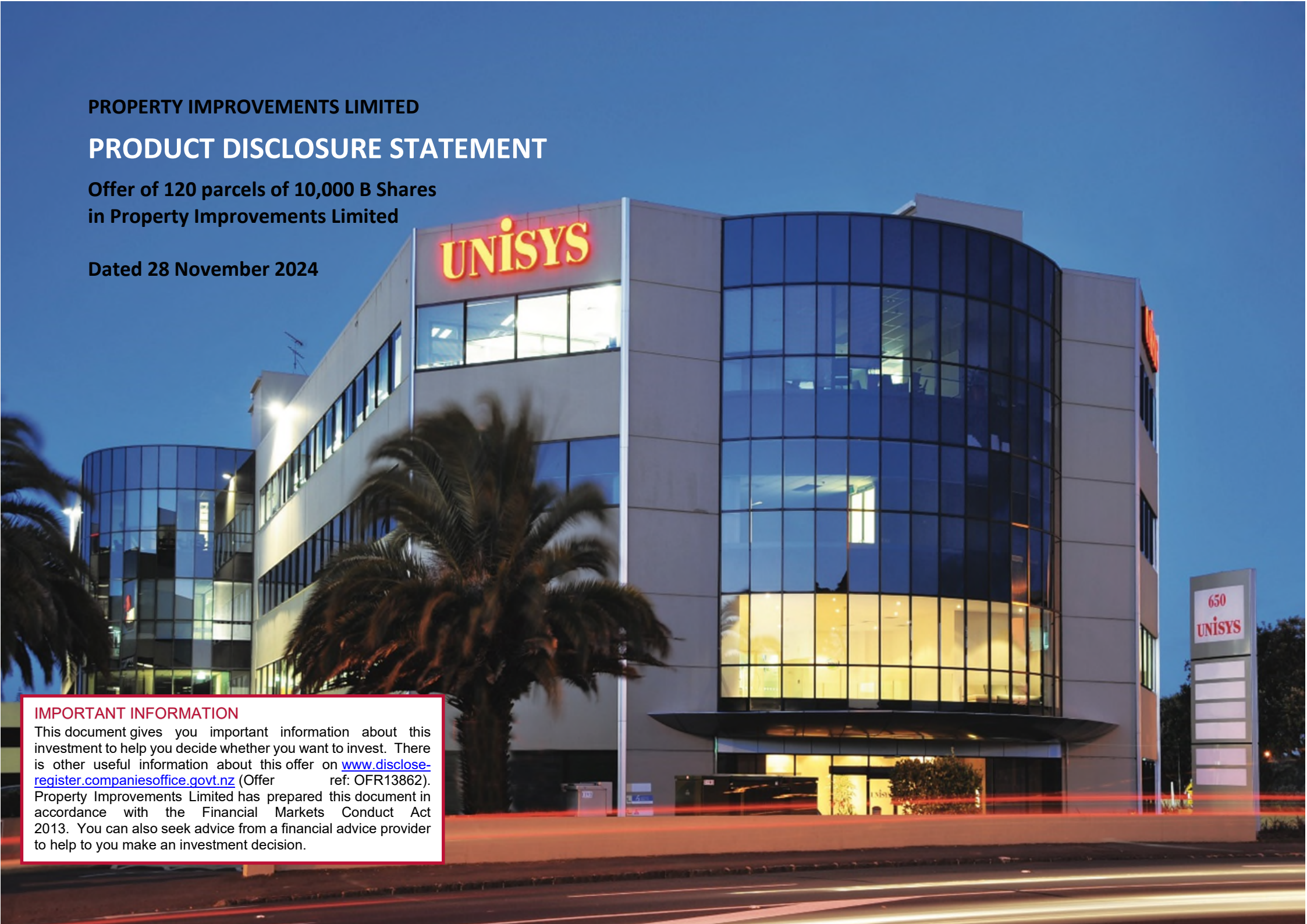
PRODUCT DISCLOSURE STATEMENT

Offer of 120 parcels of 10,000 B Shares
in Property Improvements Limited

Dated 28 November 2024

IMPORTANT INFORMATION

This document gives you important information about this investment to help you decide whether you want to invest. There is other useful information about this offer on www.disclose-register.companiesoffice.govt.nz (Offer ref: OFR13862). Property Improvements Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial advice provider to help to you make an investment decision.



1 Key Information Summary

What is this?

This is an offer of B Shares (**Shares**) in Property Improvements Limited (**Offer** and **Issuer**). The Shares give you a stake in the ownership of the Issuer. You may receive a return if dividends are paid or the Issuer increases in value and you are able to sell your Shares at a higher price than you paid for them. **If the Issuer runs into financial difficulties and is wound up, you will be paid only after all creditors have been paid. You may lose some or all of your investment.**

The Offer is only open to existing holders of B Shares in 650 Great South Road Limited (**650 GSR** and **650 GSR Shareholders**).

About the Issuer

The Issuer was incorporated by Maat Consulting Limited (**Maat**) and the Issuer's Directors on 15 August 2024. The Issuer has been incorporated for the sole purpose of raising capital to loan to 650 GSR (**Issuer Loan**), which will apply the funds to pay the costs of this Offer and the internal upgrade of the premises 650 GSR owns at 650 Great South Road, Penrose, Auckland, which is contained and described in Certificate of Title NA108C/559 (**Property**). It is not intended that the Issuer will undertake any other business activity. 650 GSR was also set up by Maat, and in 2016 raised capital to enable it to purchase the Property.

The Issuer intends to register as a multi-rate portfolio investment entity (**PIE**). Further details are set out in Section 9 "*Tax*". Further information on the Issuer, 650 GSR, the Property and Maat is provided in Section 2 "*The Issuer and what it does*".

Purpose of this Offer

The purpose of this Offer is to raise \$1,200,000 by issuing 120 parcels of 10,000 Shares

(**Share Parcels**) to the 650 GSR Shareholders. Each Share Parcel is offered for \$10,000, being \$1 per Share.

The proceeds of the Offer will be lent to 650 GSR pursuant to the Issuer Loan to be applied to paying for fit-out and refurbishments required by two Tenants of the Property as a condition of their Leases (**Refurbishments**), to repay an existing overdraft taken out to partly fund those works, and to pay the costs of this Offer.

The Issuer Loan will be subordinated to, and rank behind, 650 GSR's existing loan from ASB Bank Limited (**Bank** and **Bank Loan**), as described further below.

If this Offer is unsuccessful, the likely outcome will be that the Property will have to be sold, either by 650 GSR or under forced sale conditions by the Bank.

The Offer is not an offer of 'debt securities' or interests in a 'managed investment scheme' for the purposes of the Financial Markets Conduct Act 2013 (**FMC Act**). This is an offer of equity securities in the Issuer under the FMC Act, whereby, among other things:

- the holders of the Shares will have all of the rights set out in section 36(1)(a) of the Companies Act 1993 (**Companies Act**), including the proportionate right to appoint and remove Directors; and
- none of the managed investment scheme or debt security governance provisions of the FMC Act will apply (such as the requirement to have a licensed independent supervisor supervising the issuer's activities or (for a managed investment scheme) to have a licensed manager).

Investor rights are as set out in the Companies Act and the constitution of the Issuer, which was registered on 28 November 2024 (**Constitution**).

The purpose of the Offer is further described in Section 3 "*Purpose of the Offer*".

Key terms of the Offer

Description of securities	Offer of B Shares (being ordinary shares) in the Issuer, in accordance with the Constitution. The Shares will rank equally with each other. This Offer is not underwritten.
Date of lodgement of PDS	28 November 2024
Offer Opening Date*	6 December 2024
Offer Closing Date*	18 December 2024
Nature of offer	The Offer is only open to existing 650 GSR Shareholders at the date of this product disclosure statement (PDS and PDS Date).
Number of Shares offered, and percentage of total B Shares the Shares offered will represent immediately after issue	120 parcels of 10,000 Shares, being a total Share issue of 1,200,000 Shares, representing 100% of the total B Shares immediately after issue. This number is both the minimum and maximum number of Shares being offered. Accordingly, the Offer will not proceed, and no Shares will be issued, unless the Issuer receives Applications for at least this amount. The Issuer will not take subscriptions over or under this amount. If valid Applications for more than 1,200,000 Shares are received, unless the Board elects otherwise in its sole discretion, it intends to accept Applications in the order received.
Price of Shares	\$1.00 per Share.
Minimum number of Shares an Investor may apply for	One Share Parcel of 10,000 Shares, and thereafter in multiples of 10,000 Shares. The Issuer reserves the right to, in its sole discretion, accept Applications for less than these minimums.
Maximum total number of Shares per Investor	The Issuer proposes to register as a multi-rate PIE. Accordingly, no Shareholder (individually and combined with shareholdings held by “associated persons” for tax purposes) can own or control more than 20% of the Issuer’s issued share capital (20% Limitation).
Administration of the Issuer and management of Property	<p>Maat will provide administration services to the Issuer. Maat will be responsible for administering payment of distributions to Shareholders, maintaining accounting records and statutory compliance.</p> <p>Maat will be paid an annual accounting fee of \$4,800 plus GST (adjusted for CPI increases) for this service and is entitled to recover out of pocket expenses and disbursements it incurs. Maat will also be paid an establishment fee of \$25,000 plus GST if the Offer is successful. The Administration Deed and loan agreement for the Issuer Loan require 650 GSR to pay these amounts directly.</p> <p>These services are set out in more detail in the Administration Deed, a copy of which can be found on the Offer Register at www.disclose-register.companiesoffice.govt.nz (Offer ref: OFR13862) under "Other material information".</p> <p>The Property and 650 GSR are also separately managed by Maat pursuant to a management agreement between 650 GSR and Maat. Maat is entitled to recover out of pocket expenses and disbursements it incurs and its management fees from 650 GSR in exchange for those services.</p>

*These dates are indicative only and may change. The Issuer reserves the right to alter (including to close the Offer early) or extend these dates, but by no more than 2 months from the dates mentioned above. The Issuer may also withdraw the Offer at any time before the issue of Shares or accept late Applications (either generally or in individual cases). You can find more information about the Offer in Section 5 “*Terms of the Offer*”.

How you can get your money out

The Issuer does not intend to quote these Shares on a market licensed in New Zealand and there is no other established market for trading them. This means that you may not be able to sell your Shares. The Shares are also not redeemable, either by an Investor or by the Issuer.

Key drivers of returns

The Issuer's sole purpose is to loan the proceeds of the Offer to 650 GSR. It is not intended that the Issuer will undertake any other business activity. The Issuer will receive principal and interest payments from 650 GSR, from which the Issuer intends to pay dividends to Shareholders. Accordingly, the ability of the Issuer to pay the dividends and return capital to Shareholders is entirely dependent on the current and future financial performance of 650 GSR. This dependence will have the most impact on the financial performance of the Issuer and its business. As a result, the current and future aspects of 650 GSR's business (and, therefore, the Issuer's business) that have, or may have, the most impact on the financial performance of the Issuer and the key strategies and plans for those aspects of the business are as follows:

Funding: Factors relating to 650 GSR's funding are key, including remedying the existing covenant breach under the Bank Loan to avoid default rate interest and a forced sale of the Property together with any future changes to the costs of borrowing, and refinancing the Bank Loan by its expiry date, 31 March 2025. A primary cost of 650 GSR and a key factor in determining the ability of 650 GSR to pay the interest on the Issuer Loan will be interest expense on the Bank Loan, driven by both the level of borrowings and interest rates. As at the PDS Date, 650 GSR has borrowings of \$14,445,000 and the interest rate payable on the Bank Loan is 7.30% per annum (although this will change from time to time). In addition to the Bank Loan, 650 GSR will be required to fund the interest payments to the Issuer, plus the costs of the Issuer in administering the Issuer Loan. The term of the Issuer Loan will end on 31 March 2028 (unless extended), with an interest rate of 9% per annum.

Income / rent returns: The ability of 650 GSR to pay the interest on, and ultimately repay, both the Issuer Loan and the Bank Loan is dependent on the quality of the Tenants, the rent payable by the Tenants, the terms of the Leases and the vacancy levels within the Property. As at the PDS Date, the Property has a vacancy level of 41.17%. 650 GSR will need to find tenants for these vacancies, which may involve fit-out contributions and rent-free periods. Provision has been made in the prospective financial information referred to in Section 7 "*The Issuer's financial information*" for the Issuer to raise, through an additional issue of B Shares, a further \$780,000 during July/August 2025, to be loaned to 650 GSR on equivalent terms to the Issuer Loan and applied by 650 GSR to securing new tenants for the current vacancies of 1,271 m² on Level 2, and 1,022 m² on the ground floor, of the Property (**Further Funding**).

Property owning expenses: 650 GSR's costs associated with owning the Property have a key impact on its ability to pay interest on and repay the Issuer Loan, and therefore the financial performance of the Issuer and the value of the Shares. These costs include

expenses involved with owning, maintaining and managing the Property, such as costs associated with re-letting expired or vacant tenancies (including incentives like fit-out contributions and rent-free periods). 58.83% of the Property's operating expenses are currently recovered from Tenants with the balance of the expenses paid by 650 GSR, which may negatively impact on the ability of 650 GSR to make payments to the Issuer.

Property value: The sole asset of 650 GSR is the Property. The Property may gain or lose value over time. The Property was originally purchased for \$31,800,000 plus issue costs. The Property has been valued at \$34,500,000 excluding GST on 31 July 2024, on the basis that the Refurbishments are completed. At the PDS Date, the Refurbishments have been completed. As at 31 March 2024, the Property was valued at \$31,300,000 excluding GST. The Bank uses the 31 March 2024 valuation when measuring 650 GSR's Bank Loan covenant compliance.

Key strategies: The key strategies and plans that the Issuer has for these aspects of its business are raising the required capital pursuant to this Offer in order to make the Issuer Loan and monitoring 650 GSR's compliance with the terms of the Issuer Loan and Bank Loan, including with respect to the payment of interest and repayment of principal. 650 GSR's key strategies and plans for the above aspects of its business are applying the Issuer Loan to paying for the required Refurbishments, overdraft repayment, and Offer costs, communicating with the Bank to ensure the terms of the Bank Loan are complied with, maintaining rents in accordance with lease review terms and negotiating increased rental rates when leases are renewed, minimising vacancies in the Property (including reducing existing vacancies), and monitoring operating expenditure and accumulating cash reserves to enable capital expenditure to be able to be completed when required.

Further information on the above is set out in Section 2 "*The Issuer and what it does*".

Key risks affecting this investment

Investments in shares are risky. You should consider if the degree of uncertainty about the Issuer's future performance and returns is suitable for you. The price of these Shares should reflect the potential returns and the particular risks of these Shares. The Issuer considers that the most significant risk factors that could affect the value of the Shares are:

Risks relating to 650 GSR's Bank funding

Inability to refinance and Bank covenant risks: Even if the Offer is completed and 650 GSR is able to remedy the breach of its interest coverage ratio (ICR) covenant under the Bank Loan, the Bank Loan expires on 31 March 2025 and there is a risk that the

Bank may not be willing to refinance it at that stage and that 650 GSR may be unable to obtain alternate finance. In that situation, or if 650 GSR is not able to regain compliance with the ICR covenant, the Property may need to be sold in a sub-optimal timeframe or may be subject to a "forced sale", resulting in a lower sale price. The Issuer would only receive repayment of the Issuer Loan after the Bank Loan has been fully repaid. This may result in a loss of some, or all, of the investment made by Investors. Any refinancing of the Bank Loan may involve higher rates, which could affect 650 GSR's ability to make payments on the Issuer Loan.

Interest rate risk: The Issuer's financial position will be impacted by 650 GSR's ability to make interest payments on the Issuer Loan, which will in turn be impacted by interest rate variations on the Bank Loan. Future interest rate movements cannot be accurately forecast, and the Issuer's projections may be incorrect.

Priority / subordination risk: Under the deed of priority and subordination to be entered into if this Offer is successful (**Deed of Priority**), the Issuer Loan will be subordinated to and rank behind the Bank Loan, which could result in 650 GSR not being able to make interest and other payments to the Issuer (such as if 650 GSR is in default under the Bank Loan and the default has not been waived by the Bank).

Table summaries of the key terms of the Bank Loan, the Issuer Loan and the Deed of Priority are set out in Section 2 "*The Issuer and what it does*".

Risks relating to 650 GSR's Tenancies

Risks relating to securing and retaining tenants: The Issuer's financial performance and returns generated will be directly affected by any vacancy in the Property, current Tenants continuing to make required payments to 650 GSR and renewing their Leases. As at the PDS Date, the Property has a vacancy rate of 41.17% and a short Weighted Average Lease Term (**WALT**) of 1.47 years. 650 GSR and Maat will need to find tenants for the remaining vacancies and any other vacancies that arise from time to time, which may involve fit-out contributions and rent-free periods, which are expected to be funded via the Additional Raise. These circumstances could make it more difficult for 650 GSR to comply with the Bank Loan and/or Issuer Loan.

Capital expenditure risks: Capital expenditure on structural work, exterior repairs or capital improvements to the Property may arise or be required. There is also a risk that capital expenditure may be higher than forecast, requiring further borrowing. This could impact 650 GSR's ability to make payments under the Bank Loan and/or Issuer Loan.

Other key risks

Lack of diversification: The Issuer Loan will be the Issuer's sole asset, and the Property is 650 GSR's only asset. There is no portfolio of assets and no ability to spread risks.

Key person risks: The Directors of the Issuer are the only directors of Maat and 650 GSR, and all three companies are dependent on the same key personnel. The loss of key personnel has the potential to adversely affect each company's ability to operate and there is a risk individuals could act in a way that benefits one of those companies at the expense of one or more of the others where interests conflict.

Risks relating to Further Funding: It is expected that the Further Funding would involve an offer of B Shares and a corresponding loan to 650 GSR on equivalent terms to the Issuer Loan. A Shareholder would need to invest in the Further Funding to maintain their proportionate holding of B Shares and avoid being diluted. If, as expected, the Further Funding constituted a 'major transaction' under the Companies Act, it will only be able to proceed if approved by Shareholders by Special Resolution.

Solvency risk: There is a risk that 650 GSR may be unable to continue trading even if the Offer is successful. In this situation, the Property would need to be sold, either by 650 GSR or under forced sale conditions by the Bank.

Lack of liquidity: There is no market for the Shares and a Shareholder may not be able to sell their investment, or only sell for a lower price than they want.

This summary does not cover all of the risks of investing in the Shares. You should also read Section 2 "*The Issuer and what it does*" and Section 8 "*Risks to the Issuer's business and plans*".

Where you can find the Issuer's financial information

The financial position and performance of the Issuer and 650 GSR are essential to an assessment of this Offer. You should also read Section 7 "*The Issuer's financial information*".

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Important note about this PDS

Capitalised terms used in the PDS have the meanings given to them throughout this PDS and in the Glossary on page 53.

2 The Issuer and what it does

A Overview

Business of the Issuer

The Issuer was incorporated by Maat and the Issuer's directors on 15 August 2024 for the sole purpose of raising capital to lend to 650 GSR, for it to apply to paying for the Refurbishments, repaying an existing overdraft taken out to partly fund those works, and paying the costs of this Offer (as set out on page 28). The Issuer does not intend to undertake any other business activity or to purchase or sell any other business, property, or assets.

The Shares in the Issuer will only be offered to current 650 GSR Shareholders. The Issuer intends to register as a multi-rate PIE.

There are two classes of shares in the Issuer: A Shares and B Shares. Maat is the sole holder of all of the A Shares. 650 GSR Shareholders are being offered the opportunity to subscribe for and hold B Shares. The characteristics of the A Shares and of the B Shares offered in this PDS are further described in Section 6 "*Key features of the Shares*".

The Issuer does not have any employees. Maat carries out the responsibilities for the administration of the Issuer's business in accordance with the terms of the Administration Deed and receives fees for undertaking its administrative duties.

Industry sector

The Issuer's sole proposed business activity is extending the Issuer Loan to 650 GSR. 650 GSR is a commercial property owner and landlord. As a result of the Issuer Loan, the Issuer will be indirectly exposed to the commercial property sector. The commercial property sector is impacted by demand for rental properties and the availability of supply. General economic conditions impact rental demand. Important factors in assessing a property's value and the potential return are the location of the land, the age and quality of the buildings, the level of rental return, the financial strength of the tenants, the duration of leases and the level of current and expected vacancies. A detailed overview of the general economic and specific market factors affecting commercial property is provided in the Valuation.

Factors impacting on the Issuer's business

The Issuer's sole asset will be the Issuer Loan and related security, and it will receive principal and interest payments from 650 GSR, from which the Issuer intends to pay dividends to Shareholders of the Issuer. Accordingly, the ability of the Issuer to pay those dividends and ultimately return capital to Shareholders is entirely dependent on the current and future financial performance of 650 GSR. This dependence will have the most impact on the financial performance of the Issuer and its business.

Accordingly, the current and future aspects of 650 GSR's business (and, therefore, the Issuer's business) that have or may have the most impact on the financial performance of the Issuer's business are:

Funding

Factors relating to 650 GSR's funding are key, including remedying the existing covenant breach under the Bank Loan to avoid default rate interest and a forced sale of the Property together with any future changes to the costs of borrowing, and refinancing the Bank Loan by 31 March 2025.

A primary cost of 650 GSR and a key factor in determining the ability of 650 GSR to pay the interest on the Issuer Loan will be interest expense on the Bank Loan, driven by both the level of borrowings and interest rates. As at the PDS Date, 650 GSR has borrowings of \$14,445,000 and the interest rate payable on the Bank Loan is 7.30% per annum (although this will change from time to time). The term of the Bank Loan expires on 31 March 2025.

In addition to 650 GSR's primary Bank Loan, 650 GSR will be required to fund the interest payments to the Issuer, plus the costs of the Issuer in administering the Issuer Loan (including accounting expenses, audit fees, directors' fees, and insurance premiums), until that loan is fully repaid. The term of the Issuer Loan will expire on 31 March 2028 (unless extended), with an interest rate payable of 9% per annum.

A table summary of the key terms of the two loans is set out beginning on page 13. Copies of the documents relating to the Bank Loan and Issuer Loan can be found on the Offer Register at www.disclose-register.companiesoffice.govt.nz (Offer ref: OFR13862).

Income / rent returns

The ability of 650 GSR to pay the interest on, and ultimately repay, both the Issuer Loan and the Bank Loan is dependent on the quality of the Tenants, the rent payable by the Tenants, the terms of the Leases and the vacancy levels within the Property.

As at the PDS Date, the Property has a vacancy level of 41.17%.

650 GSR and Maat will need to find tenants for the remaining vacancies, which may involve fit-out contributions and rent-free periods, which are expected to need to be funded via the Further Funding.

Details of the Lease terms and expiry dates, the current rentals and the review and renewal rights for each existing Lease are set out starting on page 22.

Property owning expenses

650 GSR's costs associated with owning the Property have a key impact on its ability to pay interest on and repay the Issuer Loan, and therefore the financial performance of the Issuer and the value of the Shares. These costs include expenses involved with owning, maintaining and managing the Property, such as costs associated with re-letting expired or vacant tenancies (including incentives like fit-out contributions and rent-free periods).

The day to day expenses and costs involved in the ownership and management of the Property will be recoverable from the Tenants as outgoings. 650 GSR will be liable for non-recoverable expenses under the Leases, including structural repairs, capital maintenance items and replacement or upgrade of building services.

58.83% of the Property's operating expenses are currently recovered from the Tenants with the balance of the expenses paid by 650 GSR.

650 GSR's recoverable outgoings for most of the Leases include rates, insurance premiums, insurance valuation fees, insurance excess (capped at \$2,000), utility charges, service, security and maintenance contracts, cleaning, maintenance and repair costs (of a non-structural nature), building warrant of fitness costs, grounds and

car parking area maintenance and repair costs and management expenses. Other Leases also have changes to recoverable outgoings.

Property value

The sole asset of 650 GSR is the Property. The Property may gain or lose value over time depending on a number of factors.

The Property was originally purchased for \$31,800,000 plus issue costs. The Property has been valued at \$34,500,000 excluding GST on 31 July 2024, on the basis that the Refurbishments are completed. At the PDS Date, the Refurbishments have been completed. If not completed, the value would have been \$31,600,000 excluding GST. As at 31 March 2024, the Property was valued at \$31,300,000 (excluding GST).

Further information relating to the Property can be found starting on page 21.

Key strategies and plans

The Issuer's key strategies and plans for these aspects of its business are:

- to raise the required capital pursuant to this Offer in order to lend it to 650 GSR;
- to monitor 650 GSR's compliance with the covenants set out in the loan documents entered into between the Issuer and 650 GSR with respect to the Issuer Loan; and
- to, through information provided by 650 GSR to the Issuer pursuant to those covenants, monitor 650 GSR's compliance with its covenants to the Bank, as well as developments with respect to the Property and its tenancies, as these matters will affect 650 GSR's ability to pay interest to the Issuer.

650 GSR's key strategies and plans for the above aspects of its business are:

- applying the Issuer Loan to the payment of the Offer costs, payment for the Refurbishments, and repayment of the Bank overdraft;
- communicating with the Bank to ensure the terms of the Bank Loan are complied with;
- maintaining rents in accordance with lease review terms and negotiating increased rental rates when leases are renewed;



- minimising vacancies in the Property (including reducing existing vacancies); and
- monitoring operating expenditure and accumulating cash reserves to enable capital expenditure to be able to be completed when required.

Please also see “Maat’s strategies” on page 10.

Directors, Senior Management and individual relevant parties

The Directors of the Issuer (who are also directors of Maat and of 650 GSR) as at the PDS Date are Neil James Tuffin and Mark Geoffrey Hughson. The Issuer does not have any other current or proposed senior managers, or any other proposed Directors.

Brief biographical details of the Directors are set out below:

<p>Neil Tuffin, Accountant, GDipBS. Managing Director</p>  <p>181 No 3 Line Wanganui 4500 New Zealand</p> <p>Neil Tuffin is an Accountant and is the managing director and a shareholder of Maat. He is a director of the eleven property owning companies managed by Maat. Neil has 50 years' experience in accountancy, retail businesses, management consulting and investment portfolio construction and management.</p>	<p>Mark Hughson, CA BBS Dip BS Compliance Director</p>  <p>65 Collins Street Hawera 4610 New Zealand</p> <p>Mark is a Chartered Accountant operating as the sole practitioner in his Hawera (Taranaki) practice. Mark provides strategic advice for a client base which extends across New Zealand. He also makes a significant contribution to the South Taranaki community. He is a director and shareholder of Maat and the eleven property owning companies managed by Maat.</p>
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Administration role of Maat

Maat is appointed as administrator of the Issuer under the Administration Deed. A copy of the Administration Deed can be found on the Offer Register at www.disclose-register.companiesoffice.govt.nz (Offer ref: OFR13862).

A summary of the Administration Deed is set out below.

<p>Term</p>	<ul style="list-style-type: none"> • For the duration of the Issuer Loan (including any renewal, variation, or extension). • Maat may resign on not less than 6 months' notice. • Maat may be removed by the Issuer, or by Ordinary Resolution of B Shareholders, on not less than 6 months' notice, subject to payment of Maat's fees to the date of removal and, unless the B Shareholders resolve otherwise in accordance with the Constitution, the appointment of a replacement administrator. • The appointment, and the terms of appointment, of a new administrator must be approved by Ordinary Resolution of B Shareholders.
<p>Role of Maat</p>	<ul style="list-style-type: none"> • Maat is the sole and exclusive administrator of the Issuer for the term of the Administration Deed. In that capacity, it is appointed to administer payment of distributions to Shareholders, maintaining accounting records and statutory compliance. • The appointment, and the terms of appointment, of a new administrator must be approved by Ordinary Resolution of B Shareholders. • Maat has the right to appoint and engage agents or a sub-manager (including related companies of Maat), subject to it remaining responsible for the acts and omissions of its agents and sub-managers.
<p>Maat's fees</p>	<ul style="list-style-type: none"> • Maat is entitled to recover out of pocket expenses and any disbursements it incurs. • Maat will be paid an annual accounting fee of \$4,800 plus GST (adjusted for CPI increases), payable monthly in advance. • Maat will also be paid an establishment fee of \$25,000 (directly from 650 GSR) plus GST if the Offer is successful. • The terms of the Administration Deed and the loan agreement for the Issuer Loan require 650 GSR to pay

	the above fees, expenses, and disbursements directly.
Duties and powers of Maat	<p>Maat's duties and powers under the Administration Deed include the following:</p> <ul style="list-style-type: none"> • Maat is authorised to administer the collection of interest and principal payments under the Issuer Loan and to arrange the payment of distributions to Shareholders. • Maat is required to establish and maintain a bank account on behalf of the Issuer, into which all income received in respect of the Issuer Loan is to be paid and from which costs, fees, expenses, deductions and allowances (to the extent not paid directly by 650 GSR) and any dividends will be paid.
Amendments	The Administration Deed may be amended by the Issuer, 650 GSR and Maat, subject to the authorisation of an Ordinary Resolution of shareholders.

Other material information relating to Maat

Maat is the manager of ten property-owning companies. Formed in early 2010, Maat has arranged investments in these property-owning companies during the last 13 years with a combined purchase price of \$268,159,000 (individually ranging from \$5,900,000 to \$60,850,000) and a market value of \$312,850,000 as at 31 March 2024. In addition, Maat has sold 3 of its previous portfolio of 14 tenanted properties which it managed on behalf of investors, purchased at a combined price of \$30,900,000 and sold for \$48,150,000. Approximately 47% of the purchase price of these properties has been funded by bank loans and the balance has been funded by investor subscriptions.

Nido development

Maat managed companies which raised money to invest in the development of a purpose-built retail complex at Central Park Drive, Auckland, intended to house the Nido brand. Those companies were:

- Central Park Property Investment Limited (**Central Park**), which raised funds on two separate occasions to purchase the land and fund the construction of the complex;

- Central Assets Investment Limited and Odin Investment Limited, which raised capital and lent money to the tenant, Magsons Hardware Limited (trading as Nido and unrelated to, and not managed by, Maat) (**Magsons**) for working capital requirements; and
- Everest Central Investment Limited, the intended landlord.

The Directors of the Issuer, 650 GSR and Maat were also the directors of these companies.

Magsons' vision of establishing a viable Nido business was not achieved and the board of directors of Central Assets Investment Limited elected to place Magsons into receivership in December 2020. As a consequence of Nido's failure, the property at Central Park Drive was sold by its mortgagee in October 2021. The total return to the shareholders in the Maat-managed companies was 14% of their initial investment (i.e. a loss of 86% of the initial investment).

These companies are stand-alone companies and no other companies managed by Maat were affected. Unlike other Maat-managed companies, these companies are the only instance of Maat managing construction development entities and business finance.

CNP Holdings Ltd v Central Park Property Investment Ltd [2024] NZHC 2541

In April 2023, CNP Holdings Ltd (**CNP**) filed proceedings in the High Court against Central Park, Maat, the Directors (as directors of Maat and Central Park), and Michelle Jane Lomas and Jodi Anne Tuffin.

CNP sought declarations that the defendants breached the FMC Act in a \$4.7 million capital raise for the Nido development, together with compensation orders in favour of some of the retail investors who invested in that capital raise.

Neither CNP nor Craig Priscott, who controls CNP, invested in the Nido development.

In December 2023, the defendants applied for an order striking out the proceedings on two grounds:

- that CNP does not have standing as a plaintiff because it did not have a proper purpose in claiming the pleaded relief; and alternatively
- if CNP has standing, then the proceeding is an abuse of process because it was brought for an improper purpose of pressuring Maat into selling its business

interests in the 11 properties it then managed to Mr Priscott's interests, and/or to drive Maat out of business.

On 5 September 2024, the High Court struck out the proceedings as an abuse of process. The defendants have applied for indemnity costs against CNP and Mr Priscott. On 3 October 2024, CNP gave notice that it was appealing to the Court of Appeal against that judgment. No hearing date has been set for the appeal. As at the PDS Date, these proceedings are ongoing.

Other Maat-managed entities

Of the 10 entities currently managed by Maat, 5 are currently not paying any returns to their investors due to (mainly) the effect of the significant increase in the cost of bank funding and tenancy vacancies.

Conflicts Policy

The Board and the board of directors of Maat and of 650 GSR have adopted a conflicts policy under which:

- conflicts of interest are noted and recorded;
- the applicable board of directors must comply fully with all directors' duties; and
- the applicable board of directors will not put their personal interests ahead of those of the Issuer, 650 GSR or Maat (as applicable).

Maat's strategies

With respect to the Property, Maat will continue to align itself with the strategies of 650 GSR including (but not limited to):

Short-term (2 years)

- Subject to the Issuer raising and lending the required funds to 650 GSR, Maat will procure that 650 GSR pays for the Refurbishments, and work to find tenants for the remaining vacancies. Maat will maintain timely contact with the major commercial leasing agents and receive regular verbal or written updates on the interest in leasing any vacant spaces in the Property.
- To maintain strong relationships with Tenants and key service contractors.
- To encourage existing Tenants to renew leases and/or find high quality new tenants for vacant spaces.

Medium term (3-5 years)

- Subject to raising the required funds, Maat will look to re-build a cash reserve fund for 650 GSR from non-distributable operating surpluses (cash balance after distributing the dividend payment to Investors).

Long term (5-10 years)

- To maintain the external appearance of the building in the Property to a high level.
- To undertake refurbishment as necessary in conjunction with the renewal of Leases.

Relevant interests of substantial shareholders and directors

The table below sets out the relevant interests (as defined in the FMC Act) that the Directors of the Issuer:

- had in any class of shares in the Issuer on the PDS Date; and
- are likely to have in any class of shares in the Issuer immediately after completion of the Offer.

Name	Legal ownership or other nature of the relevant interest	Number and percentage of the total relevant securities of each class that the person has a relevant interest in on the PDS Date	Number and percentage of the total relevant securities of each class that the person is likely to have a relevant interest in immediately after completion of the Offer
Mark Geoffrey Hughson	Director of and 50% shareholder in Maat, which is the registered holder of 100 A Shares	100 A Shares (100% of total A Shares)	100 A Shares (100% of total A Shares)
Neil James Tuffin	Director of and 50% shareholder in Maat, which is the registered holder of 100 A Shares	100 A Shares (100% of total A Shares)	100 A Shares (100% of total A Shares)

The table below lists the persons with a relevant interest (as defined in the FMC Act) in 5% or more of a class of shares in the Issuer as at the PDS Date:

Name	Legal ownership or other nature of the relevant interest	Number of the total relevant securities of each class that the person has a relevant interest in as at the PDS Date	Percentage of the total relevant securities of each class that the person has a relevant interest in as at the PDS Date
Maat	Registered holder / legal owner of 100 A Shares	100 A Shares (100% of total A Shares)	100 A Shares (100% of total A Shares)

Except as set out in the tables above, the Issuer is not aware of any persons who have at the PDS Date or are likely to have immediately after completion of the Offer a relevant interest in 5% or more of a class of shares in the Issuer.

Directors' interests

The Issuer does not have any employees and it does not intend to employ any persons, as all required administrative functions are provided by Maat.

The Directors do not currently receive any remuneration from the Issuer. In accordance with the Constitution, the Board may authorise the payment of any Directors' remuneration in the future if the Board considers that it is fair to the Issuer.

The particulars of any direct or indirect material interests in the Issuer, or in any agreement entered into on behalf of or in respect of the Issuer, that any Director, proposed Director, senior manager or proposed senior manager of the Issuer or any person associated with any of them has and that are material to either the person who has the interest and/or the Issuer are as follows:

- The Directors of the Issuer are also directors and shareholders of Maat, and are directors of 650 GSR. They may receive directors' fees from Maat and/or 650 GSR, and may receive dividends from Maat, in those capacities.
- Under the Administration Deed, Maat will receive fees from the Issuer, as set out on page 8.

- Relevant interests of Directors in the A Shares and B Shares are shown in the table on the previous page.

Other material governance disclosures

With respect to the Issuer:

- there is no ability under the Constitution or any other agreement for one or more persons to exercise a power that would usually be exercised by the Issuer's shareholders by resolution;
- there are no restrictions under the Constitution or any agreement on the ability of the holders of the Shares to control the composition of the Board; and
- there is no provision under the Constitution or any agreement that provides for the Board, or a Director of the Issuer, to act in a manner that the Board or the Director believes is in the best interests of a person other than the Issuer (even though it may not be in the best interests of the Issuer).

See the description of the Shares and the rights attaching to the Shares in Section 6 "*Key features of the Shares*".

B Key terms of the Bank Loan from the Bank to 650 GSR

The key terms of the Bank Loan are set out below, and a copy of the Bank Loan agreement can be found on the Offer Register at www.disclose-register.companiesoffice.govt.nz (Offer ref: OFR13862). **The Issuer is not a party to the Bank Loan.** The key terms described below are not exhaustive and you should read the Bank Loan agreement if you wish to understand all the terms of the Bank Loan.

Subject	Key Summary
Lender	The Bank
Borrower	650 GSR
Guarantors	None
Loan Facility/Maximum Amount of the Bank Loan	Cash advances facility with a facility limit of \$14,445,000. At the PDS Date, the total amount outstanding is \$14,445,000.
Interest rate	<p>A floating interest rate calculated as:</p> <ul style="list-style-type: none"> • If the term of the relevant interest period is such to enable the Bank to calculate a corresponding Bill Rate, the sum of that Bill Rate for that interest period and a margin of 2.85%. The margin may be reviewed by the Bank at any time and adjusted accordingly at the Bank's sole discretion; and • In any other case, the annual rate of interest determined by the Bank to be applicable to the applicable interest period. <p>Bill Rate is defined as the Bank's bank bill bid rate (rounded upwards to two decimal places) as determined by the Bank in its sole discretion for bank accepted bills of exchange of a similar tenor to the relevant interest period. Each interest period is 30 days or such other period as the Bank may agree.</p> <p>At the PDS Date, the interest rate (including the Bank's margin) is 7.30%. Interest is payable on the last day of each calendar month in arrears.</p>
Security	<p>The Bank Loan is secured by:</p> <ul style="list-style-type: none"> • a first ranking all obligations mortgage over the Property; • a general security deed over all present and after acquired assets of 650 GSR (with priority over all other security interests in personal property except as permitted by the deed); and • a deed of assignment of Leases from 650 GSR.
Priority	First-ranking – please see pages 17 to 19 for a description of the priority and subordination arrangements to be put in place with respect to the Issuer Loan.

Subject	Key Summary
Expiry date	31 March 2025
Next repayment	<p>The Bank Loan falls due for repayment on the last day of each interest period, provided that if 650 GSR fails to submit a drawdown notice requesting a drawing to refinance that amount then, unless the Bank requires otherwise, 650 GSR will be deemed to have done so (i.e. the Bank Loan is “rolled over”). The interest period for the deemed drawing will be the same as the previous interest period, or a period ending on the Bank Loan expiry date, whichever is shorter. At the PDS Date, 650 GSR is not required to otherwise make regular principal repayments, although the Bank has reserved the right to commence principal repayments in the future.</p>
Final repayment	650 GSR is required to repay to the Bank all outstanding moneys, including all accrued interest, on the expiry date.
Reporting covenants	<p>650 GSR is required to:</p> <ul style="list-style-type: none"> • provide to the Bank its annual financial statements, within 180 days of the end of its financial year; • immediately notify the Bank where any Lease has been terminated; • if required by the Bank, provide interim financial statements to the Bank, for and within such period as specified by the Bank; and • within 7 days of the Bank’s request, deliver to the Bank any other information relating to the business affairs, financial condition or operations of 650 GSR or its compliance with loan covenants or other obligations under a facility which the Bank may, from time to time, reasonably request, at the cost of 650 GSR.
Financial covenants and covenant breaches	<p>The following financial covenants apply to 650 GSR:</p> <ul style="list-style-type: none"> • Loan to Value Ratio: The loan-to-value ratio (LVR) must not exceed 52.5% of the value of the Property at all times. In summary, this is calculated as the ratio (expressed as a percentage) of: <ul style="list-style-type: none"> ○ the total outstanding money under all Facilities (as defined in the Bank Loan agreement, including the Bank Loan and the Issuer Loan, but excluding any interest rate hedging facility provided by the Bank to 650 GSR) and the Facility limits; to ○ the Property’s current market value (as evidenced by the most recent valuation held by the Bank from a valuer approved by the Bank). <p>As at the PDS Date, the Bank calculates the LVR based on the 31 March 2024 valuation of \$31,300,000 excluding GST. Using that valuation, the LVR is currently 46.15%. After the Issuer Loan is made, the LVR (taking into account both the Issuer Loan and the Bank Loan) will be 49.98%.</p> • Interest Coverage Ratio: The ICR is not, at any time, to be lower than 1.5 times. In summary, this is calculated as the ratio of 650 GSR’s Net Rentals to its Interest Expense. For this purpose:

Subject	Key Summary
	<ul style="list-style-type: none"> ○ Net Rentals means the aggregate of all annual rent and contributions to outgoings and operating expenses (exclusive of GST) payable by each Tenant under each Lease (except to the extent that any Tenant is in default under a Lease) less the aggregate of all amounts payable by 650 GSR (exclusive of GST) in respect of or towards operating expenses and any other outgoings, howsoever arising in relation to the Property (including management fees and, if applicable, ground rent), calculated on a continuous rolling basis in respect of the following 12 month period as determined by the Bank. ○ Interest Expense means projected interest costs to be incurred by 650 GSR to the Bank during the next 12 months (assuming that the Bank Loan facility is fully drawn) as determined by the Bank. <p>The ICR is 1.24 times as at the PDS Date, and accordingly 650 GSR is currently in breach of this covenant.</p> <p>In the event of non-compliance with the LVR covenant, the Bank may require 650 GSR to, within 30 days of notice, prepay such amount as the Bank considers necessary and/or, at the sole discretion of the Bank, provide such other additional security acceptable to the Bank to ensure that 650 GSR complies with the covenant. If at any time the Bank determines that 650 GSR is not in compliance with the ICR covenant, the Bank will (without limiting any other rights the Bank may have) have the right to review, amend the terms of, or cancel the Bank Loan facility (and any other facility 650 GSR has with the Bank) and require immediate repayment of all outstanding money (at the Bank's sole discretion).</p>
Bank's actions in respect of existing covenant breaches	As at the PDS Date, the Bank has waived the existing ICR covenant breach but reserves the right to review. The Bank has stated that it expects 650 GSR to be in compliance with the ICR covenant by 30 September 2025.
Negative undertakings	<p>650 GSR must comply with a number of negative undertakings, including (but not limited to) that it will not, without the prior written consent of the Bank:</p> <ul style="list-style-type: none"> • create or permit to exist any security interest over the whole or any part of its assets other than where permitted in certain circumstances; • make a material change to the nature, scope or control of its business as it is presently conducted; • incur any indebtedness for borrowed money other than indebtedness under or permitted by the Bank Loan agreement; • make any distribution (unless permitted); • enter into a major transaction (as defined in section 129 of the Companies Act) or a prohibited related party transaction; and • undertake or permit certain actions relating to the use of its shares, alterations of its shareholdings (including changes of control) or certain other corporate actions.
Other undertakings	650 GSR is required to comply with a number of other undertakings, including (but not limited to) obligations to provide updated valuations of the Property if requested by the Bank, to not remove, demolish or structurally alter any buildings or any other improvements on the Property which would reduce its value without the Bank's prior written consent, to ensure that accumulated

Subject	Key Summary
	<p>funds of \$250,000 per annum are held separately by the Bank on deposit for the duration of the facility, to keep the Property insured by reputable insurers approved by the Bank, and to duly and promptly comply with all relevant laws and transaction documents relating to the Bank Loan.</p> <p>650 GSR is also required to provide the Bank with executed copies of any new Leases or amendments to existing Leases within 15 days of them coming into effect, and it cannot agree or permit any material amendment or variation to be made to any Leases or surrender any Leases without the Bank's prior consent.</p>
Default rate	The default interest rate payable by 650 GSR on overdue amounts under the Bank Loan is 22.5% per annum.
Events of default	Events of default include the occurrence of specified insolvency/bankruptcy events, misrepresentation, failure to pay other indebtedness when due, failures to comply with the undertakings and obligations under the Bank Loan documents, changes of control of 650 GSR, the occurrence of an event of review in respect of which the Bank does not agree a basis for continuing the provision of the Bank Loan facility, the occurrence of a material adverse change in relation to 650 GSR, and failures to make payments when due under the Bank Loan documents. Certain (generally, less serious) breaches of Bank Loan obligations will only become events of default if they are not remedied to the Bank's satisfaction within 10 business days after 650 GSR first becomes aware of that failure.
Events of review	A change to either the manager of 650 GSR or to the Property manager (i.e. Maat) is an event of review.
Consequences of events of default or review	<p>If an event of review occurs (which includes an unresolved event of review), the Bank will have 60 days to review its position and during that period 650 GSR and the Bank may negotiate to find a basis on which the Bank Loan facility can continue to be provided by the Bank. If no such basis can be agreed prior to the expiry of that period, an event of default will be deemed to have occurred.</p> <p>If an event of default occurs, the Bank may, in its absolute discretion, at any time by notice to 650 GSR do all or any of the following:</p> <ul style="list-style-type: none"> • cancel the Bank Loan facility with immediate effect; • declare all or any part of the outstanding moneys to be due and payable either immediately or at such later date as the Bank may specify; and • exercise all or any of its rights under the Bank Loan agreement or any related documents and at law.

C Key terms of the proposed Issuer Loan from the Issuer to 650 GSR

If the Offer is successful, the Issuer and 650 GSR will enter into a loan agreement and security documents in respect of the Issuer Loan, and the Issuer, 650 GSR and the Bank will enter into the Deed of Priority. The key terms of those documents are set out below, and a copy of the Issuer Loan agreement and Deed of Priority can be found on the Offer Register at www.disclose-register.companiesoffice.govt.nz (Offer ref: OFR13862). The key terms described below are not exhaustive and you should read the full documents if you wish to understand all of the terms of those documents.

Subject	Key Summary
Lender	The Issuer
Borrower	650 GSR
Guarantors	None
Loan Facility/Maximum Amount of the Issuer Loan	A term loan in a total amount of \$1,200,000.
Interest rate	9% per annum. Interest is payable quarterly in arrears on the last Working Day of the quarter.
Security	<p>The Issuer Loan is secured by:</p> <ul style="list-style-type: none"> • a second ranking all obligations mortgage over the Property; • a registered second ranking General Security Deed over all present and after acquired property of 650 GSR; and • such other securities as may be required by the Issuer. As at the PDS Date, no such other securities are in place.
Priority and subordination	<p>Second-ranking. In summary, the Deed of Priority contains the following key terms:</p> <ul style="list-style-type: none"> • Each of 650 GSR and the Issuer agrees that the indebtedness of 650 GSR to the Issuer (Junior Indebtedness) is subordinated and subject in point of priority and (except as outlined below) right of repayment to the prior payment in full of the indebtedness of 650 GSR to the Bank (Senior Indebtedness). • The Issuer agrees that it will not exercise any right of enforcement available to it or do anything to prevent the Bank exercising its rights. The Bank will control any enforcement process, including any sale of the Property. The Issuer grants the Bank wide powers to give effect to the Deed of Priority, and is required to transfer any money it receives in breach of the Deed of Priority to the Bank. • Each of 650 GSR and the Issuer agrees that, notwithstanding anything to the contrary contained in any agreement evidencing the Junior Indebtedness, it will not, prior to the termination date of the Deed of Indemnity: <ul style="list-style-type: none"> ○ except as outlined below, directly or indirectly make or receive any payment or distribution to, or to the order of, the Issuer in respect of any of the Junior Indebtedness;

Subject	Key Summary
	<ul style="list-style-type: none"> ○ sell, purchase or acquire any of the Junior Indebtedness in cash or in kind; ○ create or permit to exist a security interest, or give a guarantee, over or affecting the Junior Indebtedness, other than the Issuer Loan security documents; ○ discharge any of the Junior Indebtedness by set-off; or ○ take or omit to take any action that might result in the subordination created or expressed to be created by the Deed of Priority being impaired. • Notwithstanding the prohibitions on payments on the Junior Indebtedness summarised above, provided that there is no event of default under the Bank Loan that is continuing at the applicable time (other than an event of default that has been waived by the Bank), 650 GSR will be entitled to pay to the Issuer, and the Issuer will be entitled to receive: <ul style="list-style-type: none"> ○ interest payments due and payable to the Issuer in repayment of the Junior Indebtedness provided that the applicable interest rate is no greater than 9% per annum; and ○ payment of expenses incurred or to be incurred by the Issuer pursuant to the Issuer Loan agreement provided that the aggregate amount of such expenses does not exceed \$40,000 per annum or any other amount approved by the Bank from time to time. • The Issuer and 650 GSR agree to a number of undertakings, including that each: <ul style="list-style-type: none"> ○ will not (without the prior written consent of the Bank) agree to any amendment to, or substitution of, any terms and conditions of any agreement constituting or evidencing or security for any Junior Indebtedness; and ○ will, at its own cost, promptly execute and deliver to the Bank all agreements, and do anything else that the Bank deems appropriate, to secure to the Bank the full benefit of the Deed of Priority. • All amounts received or recovered by the Bank or the Issuer under its security documents following the date either of them becomes entitled to exercise any enforcement rights and any amount of insurance proceeds referred to in the Deed of Priority will be applied: <ul style="list-style-type: none"> ○ first, in or towards payment to the Bank of its secured indebtedness owing by 650 GSR but limited to its Priority Amount; ○ secondly, in or towards payment to the Issuer of its secured indebtedness owing by 650 GSR but limited to its Priority Amount; and ○ thirdly, to the extent of any secured indebtedness owing by 650 GSR to either of them in excess of their Priority Amount, then to each of them in turn (with the Bank being paid in full first). • The Bank's security interest under the Bank Loan documents, and all moneys from time to time secured under it, has first priority over the Issuer's security interest under the Issuer Loan documents up to (and limited to) the Bank's Priority Amount. The Issuer's security interest under the Issuer Loan documents, and all moneys secured from time to time under it, has second priority for an amount up to (and limited to) the Issuer's Priority Amount. The Bank's security interest under the

Subject	Key Summary
	<p>Bank Loan documents has priority over the Issuer's security interest under the Issuer Loan documents for the balance (if any), of the moneys from time to time secured by the Bank's security interest under the Bank Loan documents.</p> <ul style="list-style-type: none"> • The Issuer is granted an option to buy out the Bank Loan, for a purchase price calculated as the lesser of the Bank's Priority Amount and the Senior Indebtedness outstanding as at the date of settlement of the exercise of the option. • Priority Amount is defined as, in relation to the relevant secured party (the Bank or the Issuer): <ul style="list-style-type: none"> ○ an amount equal to its secured indebtedness as at that day, but limited to its nominated amount (including, for the avoidance of doubt, any capitalised interest); plus ○ an amount equivalent to the notional amount of interest calculated at the highest rate chargeable by that secured party to 650 GSR in respect of its secured indebtedness which would accrue over a period of 24 months on its nominated amount; ○ the secured party's Costs of Realisation (as defined in the Deed of Priority), including all interest and taxes on that amount; ○ all preferential payments (if any) required by law to be paid prior to that secured party's secured indebtedness; and ○ the costs incurred by a secured party in relation to the entry into or closing out or terminating any risk management product relating to 650 GSR. • The Bank's nominated amount is \$14,805,000 and the Issuer's nominated amount is \$1,200,000, unless the Bank, Issuer, and 650 GSR agree otherwise.
Expiry date	31 March 2028 (unless extended by agreement between the Issuer and 650 GSR, which would require approval of Shareholders by Special Resolution)
Next repayment	N/A
Final repayment	If 650 GSR remains in covenant compliance, it will only be required to pay interest at 9% per annum for the term of the Issuer Loan, with the principal repayable on the expiry date of the Issuer Loan. If 650 GSR breaches the terms of the Issuer Loan, the Issuer can (except as described above) require 650 GSR to make principal repayments prior to the expiry date.
Reporting covenants	650 GSR is required to provide to the Issuer the same documents and information as required by the Bank Loan on the PDS Date (as it may be modified by an amendment or variation of, or refinancing of, the Bank Loan (including, without limitation, a waiver of the terms of the Bank Loan) consented to in writing by the Issuer (Consented Variation)).
Financial covenants	650 GSR is required to comply with the same financial covenants as under the Bank Loan on the PDS Date (as it may be modified by a Consented Variation).
Negative undertakings	650 GSR is required to comply with the same negative undertakings as under the Bank Loan on the PDS Date (as it may be modified by a Consented Variation). In addition, 650 GSR will undertake not to agree to any proposed amendments or variations of, or

Subject	Key Summary
	refinancing of, the Bank Loan (including, without limitation, any proposed waivers of its terms) without the prior written consent of the Issuer (which must not be unreasonably withheld).
Other covenants	<p>650 GSR is required to comply with the same other covenants as under the Bank Loan on the PDS Date (as it may be modified by a Consented Variation).</p> <p>In addition, except as set out in the Deed of Priority, 650 GSR is required to:</p> <ul style="list-style-type: none"> consult with the Issuer, and keep the Issuer updated, with respect to any proposed amendments or other variations of, refinancing of, or other material developments relating to the Bank Loan (including, without limitation, any proposed amendments to, waivers of, or other variations of the terms of the Bank Loan); and without limiting the above obligation, provide the Issuer with as much advance notice as is reasonably practicable of any proposed amendments to the Bank Loan and/or the Bank Loan agreement.
Default rate	4% per annum above the standard interest rate (i.e. 13% total).
Events of default	The same events of default apply as under the Bank Loan on the PDS Date (as it may be modified by a Consented Variation).
Events of review	The same events of review apply as under the Bank Loan on the PDS Date (as it may be modified by a Consented Variation).
Consequences of events of default or review	The Issuer may take the same actions under the Issuer Loan as the Bank may take under the Bank Loan on the PDS Date (as it may be modified by a Consented Variation), except as described above.

C About the Property

As 650 GSR's sole asset is the Property, factors affecting the value of the Property will have a direct impact on the Issuer's business. If 650 GSR fails to meet the terms of either or both of the Bank Loan and the Issuer Loan, the Property may have to be sold. Accordingly, the Issuer's return from 650 GSR is impacted by the resale value of the Property. The Property value is linked not only to the Tenants but also to the location, quality and standard of maintenance of the building.

General description of the Property

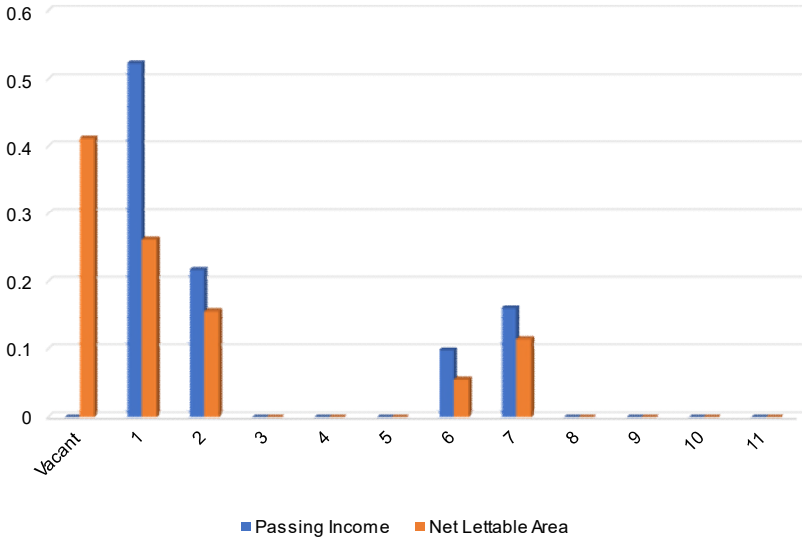
The Property is located at 650 Great South Road, Penrose, Auckland, and is situated adjacent to the Central Park office complex on Great South Road, Auckland, near the Ellerslie/Panmure highway. It is within a short distance to the Southern Motorway and is well serviced by both bus and rail public transport. A café servicing the businesses in the wider area is situated as a standalone facility within the Central Park complex.

The Valuer has independently valued the Property as at 31 July 2024 at \$34,500,000 excluding GST on an 'as if complete' basis (i.e. on the basis that the Refurbishments are completed). The value as at 31 March 2024 was \$31,300,000 excluding GST. A copy of the full 31 July 2024 Valuation report containing further details can be found on the Offer Register at www.disclose-register.companiesoffice.govt.nz (Offer ref: OFR13862) under "Other material information". Investors are encouraged to view the Valuation carefully. The Valuer has consented to references to and details of the Valuation being included in this PDS in the form and context in which they are included and to a copy of the Valuation being included on the Offer Register.

Rent returns from the Property

650 GSR's business (and consequently the returns payable to Shareholders of the Issuer) will be impacted by the income stream from rentals from the Property.

A key measurement in property valuation is the WALT. The WALT is measured by calculating the average remaining lease term for the various tenancies and weighting that by reference to the respective rent received from each Tenant and/or the area occupied. Maat considers that the Property has a short-term lease profile currently, with the opportunity to increase rents at the time of renewal on the shorter Leases, including the Ministry of Health and the 'nearing renewal' Kāhui Tū Kaha Limited (KTK) leases (on the ground floor, level 2 and level 3). In addition the tenanting of the vacant spaces in due course will increase the WALT for the longer term.



The above graph demonstrates the Lease expiry profile (by income and area) over a 10- year horizon

The Property currently has an occupancy rate of 58.83%.

The anchor tenants for the Property at the PDS Date are as follows:

Anchor Tenants	Percentage of net income as at 1 November 2024
KTK	68.38%
Ministry of Health	21.76%
Te Roopu Taurima O Manukau Trust (TRT)	9.86%
Total	100.00%

The structure of the Leases within the Property as at the PDS Date (including vacant tenancies) are as follows:

Tenant Name	Lease Expiry (Current Term)	Remaining rights of Renewal	Next Rent Review Date	Current Annual Rent (p.a. excl. GST and car parks)	Car Parking (p.a. excl GST)
Anchor Tenants					
Kāhui Tū Kaha Limited – Ground (486.14sqm)	31 July 2025	2 x 3 years	1 August 2025 - Market	\$142,268.03	\$Nil
Kāhui Tū Kaha Limited – Level 1 (954.80sqm) – 23 Carparks	31 August 2030	2 x 4 years	1 September 2025 – 2% Fixed	\$233,926.00	\$59,800.00
Kāhui Tū Kaha Limited – Level 2 (869.55sqm) – 120 Carparks	31 July 2025	2 x 3 years	1 August 2025 - Market	\$254,471.76	\$291,289.63
Kāhui Tū Kaha – Level 3 (824.49sqm) – 25 Carparks	31 July 2025	2 x 3 years	1 August 2025 - Market	\$201,239.76	\$58,907.65
Ministry of Health – Level 3 (1,306.85sqm) – 13 Carparks	14 December 2025	1 x 2 years 2 x 1 year	15 December 2024 – 2.5% Fixed	\$359,384.00	\$35,880.00
Te Roopu Taurima O Manukau Trust – 25 Carparks	31 October 2030	3 x 3 years	1 November 2025 – 2.5% Fixed	\$126,890.50	\$52,000.00
Casual Carparks					
2 Carparks	Monthly	N/A	N/A		\$4,212.00
Vacancies					
Ground Floor – 1,022.28sqm					
Level 1 – 1,137.97 sqm					
Level 2 – 1,271.38sqm					
Carparks - 88					
Total Rental Income	Premises: \$1,318,180.05		Car parks: \$502,089.28		
Weighted Average Lease Term by income	1.50 years by area 1.47 years by income				

Specific Lease summaries

A summary of the key terms of each Lease is set out below. All Leases contain the right to recover the usual outgoing costs set out in the ADLS Sixth Edition 2012(4)) with specific exceptions or differences noted for each Tenant. References in this section to the 'Landlord' are to 650 GSR.

Lease to Ministry of Health	
Guarantor	Nil
Floor Area / carparks	Level 3 (Part) 1,306.85 m ²
Current Term Expiry	14 December 2025
Rights of Renewal	1 further term of 2 years and 2 further terms of 1 year each
Final Lease Expiry	14 December 2029 (if all rights of renewal are exercised)
Current Annual Rent	\$395,264 p.a., plus GST and outgoing costs
Rent Reviews	Fixed annual rent reviews of 2.50%.
Operating Expenses	The Lease allows the Landlord to recover usual outgoing costs from the Tenant
Other material matters	<p>a) There are extensive Landlord's maintenance obligations, in particular:</p> <ul style="list-style-type: none"> i) the Landlord must maintain building services in good working operational order, repair and condition and in accordance with the Tenant's performance criteria attached to the Lease; and ii) the Landlord must keep clean and maintain the roof and exterior (including exterior windows) in good and substantial repair, order and condition and in a structurally sound and weatherproof and watertight condition. <p>b) The Tenant is not required to remove its fitout, or to redecorate or replace floor coverings at the end of the Lease. This will require additional costs to be incurred by the Landlord, to put the premises in a condition suitable for a new tenant at the end of the Lease.</p>

Lease to Kāhui Tū Kaha Limited	
Guarantor	Nil
Floor Area / carparks	Level 3 (Part) 824.49 m ²
Current Term Expiry	31 July 2025
Rights of Renewal	2 further terms of 3 years each
Final Lease Expiry	31 July 2031 (if all rights of renewal are exercised)
Current Annual Rent	\$260,147.41 p.a. plus GST and outgoing costs
Rent Reviews	Market rent review on each renewal date Fixed 2% increase on each anniversary one month from the commencement of the Lease except where the anniversary date is also the renewal date.
Operating Expenses	All usual outgoing costs listed in the ADLS Deed of Lease (Sixth Edition 2012 (5)) are recoverable from the Tenant.
Other material matters	<p>a) Landlord to provide the Tenant details of the Landlord's budgeted outgoing costs for the year to the next 31 March, as soon as possible after 31 March each year.</p> <p>b) The Landlord shall:</p> <ul style="list-style-type: none"> i) carry out any structural repairs, repair and inherent defects in the premises, the building services or the Landlord's fixtures and fitting; and ii) replace the whole or components of the premises (including resealing, resurfacing or renewing any yard or surfaced areas), the building services and the Landlord's fixtures and

	<p>fittings where items have reached the end of their economic life and replacement is reasonably required to enable the Tenant to have the full benefit and enjoyment of the premises and within a reasonable time of receiving notice to do so.</p> <p>c) If the Landlord fails within a reasonable time to carry out any repair, replacement and/or maintenance obligations required by the provisions and/or maintenance obligations required by the Lease, then the Tenant may undertake the repair, replacement and/or maintenance work at the Landlord's sole cost and expenses, and the Landlord will, upon demand, pay to the Tenant all costs and expenses incurred by the Tenant in carrying out the work.</p>
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Lease to Kāhui Tū Kaha Limited (Agreement to Lease only)	
Guarantor	Nil
Floor Area / carparks	Level 1 (Part) 954.80 m ²
Current Term Expiry	31 August 2030
Rights of Renewal	2 further terms of 4 years each
Final Lease Expiry	31 Aug 2038 (if all rights of renewal are exercised)
Current Annual Rent	\$293,726 p.a. plus GST and outgoings
Rent Reviews	Market rent reviews on each renewal date Fixed 2% increase annually
Operating Expenses	All usual outgoings listed in the ADLS Deed of Lease (Sixth Edition (5)) are recoverable from the Tenant.
Other material matters	The Landlord is obligated to carry out structural repairs and to repair any inherent defects in the premises, the building services, and the Landlord's fixtures and fittings.

Lease to Kāhui Tū Kaha Limited	
Guarantor	Nil
Floor Area / carparks	Ground Level (Part) 486.14 m ² and Level 2 (Part) 869.55 m ²
Current Term Expiry	31 July 2025
Rights of Renewal	2 further terms of 3 years each.
Final Lease Expiry	31 July 2031 (if all rights of renewal are exercised)
Current Annual Rent	\$688,029.43 p.a. if all rights of renewal are exercised.
Rent Reviews	Market on renewal 2% increase annually on each anniversary date of the commencement of the Lease except where the anniversary date is also a renewal date.
Operating Expenses	All usual outgoings listed in the ADLS Deed of Lease (Sixth Edition (5)) are recoverable from the Tenant.
Other material matters	<p>a) Landlord to provide the Tenant details of the Landlord's budgeted outgoings for the year to the next 31 March, as soon as possible after 31 March each year.</p> <p>b) The Landlord shall:</p> <ul style="list-style-type: none"> i) carry out any structural repairs, repair and inherent defects in the premises, the building services or the Landlords fixtures and fitting; and ii) replace the whole or components of the premises (including resealing, resurfacing or renewing any yard or surfaced areas), the building services and the Landlord's fixtures and fittings where items have reached the end of their economic life and replacement is reasonably required to enable the Tenant to have the full benefit and enjoyment of the premises and within a reasonable time of receiving notice to do so.

	<p>c) If the Landlord fails within a reasonable time to carry put any repair, replacement and/or maintenance obligations required by the provisions and/or maintenance obligations required by the provisions of the Lease, then the Tenant may undertake the repair, replacement and/or maintenance work at the Landlord's sole cost and expenses, and the Landlord will, upon demand, pay to the Tenant all costs and expenses incurred by the Tenant in carrying out the work.</p> <p>d) The 'No Access' period relating to a restriction on access to the Tenant in the case of an emergency is 6 months.</p>
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Lease to Te Roopu Taurima O Manukau Trust (Agreement to Lease only)	
Guarantor	A bank guarantee of 3 months' gross rental held by a NZ bank from the commencement of the Lease, for the entire term of the Lease.
Floor Area / carparks	Ground Level (Part) 461.42 m ²
Current Term Expiry	31 October 2030
Rights of Renewal	3 further terms of 3 years each
Final Lease Expiry	31 October 2039 (if all rights of renewal are exercised)
Current Annual Rent	\$178,890.50 p.a. plus GST and outgoings
Rent Reviews	2.5% increase annually Market on renewal - capped at 5% p.a.
Operating Expenses	All usual outgoings listed in the ADLS Deed of Lease (Sixth Edition (5)) are recoverable from the Tenant.
Other material matters	<p>a) The Tenant has the option to vacate the premises at the end of the 4th year following the commencement of the Lease, providing notice in writing of the termination of the Lease is provided to the Landlord 6 months before the Tenant vacates the premises.</p> <p>b) The Tenant is responsible for the removal of its chattels, fixtures and fittings at the end of the Lease and is only liable for the make good of any damage caused by the removal of those items at the expiry of the Lease.</p>

Record of title

The Property is contained in one fee simple title, identifier NA108C/559 legally described as Lot 2 Deposited Plan 176485 and comprising 6,573 m² more or less.

The Property has the benefit and burden of right of way and services easements which relate to the shared driveway which also benefits the properties at 656 and 660 Great South Road. The easements include usual maintenance and cost sharing provisions. There are also electricity and telecommunications easements in favour of Vector Limited and Genesis Energy respectively.

A copy of the record of title, which provides further details of the interests registered against the title, can be found online on the Offer Register at www.disclose-register.companiesoffice.govt.nz (Offer ref: OFR13862) under "Other material information".

Land Information Memorandum

A Land Information Memorandum dated 23 October 2024 for the Property (**LIM**) has been obtained from Auckland Council. A copy of the LIM can be found on the Offer Register at www.disclose-register.companiesoffice.govt.nz (Offer ref: OFR13862) under "Other material information". For the purposes of this section, defined terms used in this section have the same meaning as in the LIM.

Zoning

The Property is within the Business – Mixed Use Zone.

Consents and code compliance certificates

The office and car park buildings on the Property were originally constructed in the late 1990s. Since they were built, most building activity at the Property has consisted of office fitouts for tenants.

A potential issue arising from the LIM is the lack of code compliance certificates in respect of various works for which building consents were issued. There are six building consents listed in the LIM which do not have building consents. Two of those consents have lapsed, three have had consent approved but a final code compliance certificate has not been issued, and the final consent (relating to a new internal fitout for Tenancy B – Ground Floor) was designed, reviewed and approved by engineers on 5 April 2024. While the primary responsibility for obtaining these code compliance certificates under the leases will rest with the tenants (or will rest with Vector for the substation), if they fail to obtain the certificates, 650 GSR, as owner of the Property,

could be responsible if there are issues with these works and if the Council requires remedial action to be taken.

Building Warrant of Fitness

As the building contains various specified systems (including fire sprinklers, alarms, lifts and mechanical air conditioning systems) there is a requirement for the building to have an annual building warrant of fitness. The building's existing warrant of fitness is valid until 21 April 2025.

Hazards

The Property is located on an area identified as having Filled/Weak Ground, and part of the site where the Property is located spatially intersects with an area of Organic Soil, as displayed on the map attached to the LIM titled "Special Land Features – Hazards", and may have a higher risk of structural damage or subsidence.

Flood risk

The site where the Property is located spatially intersects with the following:

- a Flood Plain, which is an area that represents the predicted area of land inundated by runoff from a 1% Annual Exceedance Probability magnitude event, often referred to as a "1 in 100-year" event. Flood Plains are generally determined by computer based hydrological and hydraulic modelling;
- a Flood Sensitive Area, which is derived from the Flood Plain by adding 0.5m to the maximum water level, and extending this new level until it reaches the terrain. The Flood Sensitive Area is an indicative area for information about where flood related residential freeboards may apply;
- a Flood Prone Area, which is an area that represents a depression in the terrain with no natural outlet. The frequency of flooding within the Flood Prone Area is dependent on the upstream catchment area, the amount of rainfall, and the outlet capacity; and
- one or more Overland Flow Path(s), which are lines representing the predicted route of overland flow, based on analysis of a Digital Terrain Model (derived from aerial laser survey). As Overland Flow Paths are based solely on the terrain, they

are indicative only, and they do not show the width or extent of the flow, and depend on the amount of rain.

These features are displayed on the map attached to the LIM titled “Special Land Features – Natural Hazards – Flooding”, and may flood during significant rainfall events.

Other

The Property is located in an area that is subject to the following overlays and designations:

- Natural Heritage: “Regionally Significant Volcanic Viewshafts And Height Sensitive Areas Overlay – W26 Mount Wellington – Viewshafts” and “Regionally Significant Viewshafts Overlay Contours”. The purpose of both of these natural heritage overlays is to protect the views of Auckland’s volcanic cones and the historic and cultural integrity of the volcanic features. The policy, as described in the Auckland Unitary Plan (Operative in Part), addresses this by avoiding the construction of new buildings or structures that intrude into volcanic viewshafts, and imposes height limits to prevent encroachment into the views of the volcanic viewshafts.
- Natural Resources: “High-Use Aquifer Management Areas Overlay – Onehunga Volcanic Aquifer” and “Quality-Sensitive Aquifer Management Areas Overlay – Onehunga Volcanic Aquifer”. Both of these natural resources overlays identify areas where there is a policy in place that requires careful management of availability of water in shallow, unconfined aquifers in Auckland and protects the quality of said sources of water from contamination.
- Designations: “Airspace Restriction Designations – ID 1102 – Protection of aeronautical functions – obstacle limitation surfaces – Auckland International Airport Ltd – Confirmed”. The Property and the surrounding area is located within the vicinity of Auckland International Airport. This designation allows certain activities at the airport, such as aircraft noise, to take place (provided that they comply with the terms of the designation).

These features are displayed on the maps attached to the LIM titled “Auckland Unitary Plan – Operative in part - Designations”, “Auckland Unitary Plan – Operative in part – Natural Heritage”, and “Auckland Unitary Plan – Operative in part – Natural Resources”.

No material changes to the Property since the date of the product disclosure statement for the offer of B Shares in 650 GSR are noted in the LIM except for increases in the Auckland Council’s rating value and annual rates.

3 Purpose of the Offer

The purpose of this Offer is for the Issuer to raise \$1,200,000 by way of the issue of Shares and to lend the proceeds to 650 GSR for it to apply, after it has paid the costs of this Offer (as set out below), to pay for the Refurbishments and to repay its overdraft with the Bank.

A minimum amount of \$1,200,000 must be raised before any Shares are issued. The Offer will not proceed, and no Shares will be issued, unless the Issuer receives Applications for at least this amount. The Issuer will not take subscriptions over or under this amount.

The Offer is not underwritten.

Details of amounts to be raised through the issue of Shares and the expected use of those funds are as follows:

Issuer Loan of \$1,200,000 to 650 GSR, to be applied by 650 GSR to:	
Offer costs	156,522
▪ Legal fees	110,000
▪ Establishment fee (paid to Maat Consulting Limited)	25,000
▪ Statutory fees	8,978
▪ Valuation fees (paid to Jones Lang LaSalle Limited)	6,393
▪ Contingency	6,151
Fit-out for the TRT Lease	269,918
Ground floor bathroom refurbishment	150,000
Level 1 fit-out for KTK Lease	142,969
Repayment of Bank overdraft	360,000
Contingency for works	11,027
GST	109,564
Total capital raise	\$1,200,000

A contingency has been included in the allocations above, which is considered by the Issuer and 650 GSR to be sufficient to cover any further increase in costs, as the costs of the Refurbishments are known. If the Offer costs are higher than estimated, the Issuer Loan will first be applied to paying the Offer costs in full. The balance of the contingency, if any, will be applied by 650 GSR for future expenditure on securing Tenants.

Effect of not introducing new capital

The capital sought is required for the purposes set out in this section. If the capital is not raised, 650 GSR will continue to be in breach of its financial covenants and other obligations to the Bank. Accordingly, if the required capital is not raised or new terms for the current lending with the Bank (or with a replacement lender) cannot be agreed on better terms, a likely consequence of the failure to raise the required capital is that the Property will be sold.

The sale price received in these circumstances may be less than the current Valuation if the Bank charges default rate interest and costs and/or the Property is sold as a “forced sale”.

The following table assumes various sale prices for the Property based on estimated sale costs. Those costs will likely increase on a forced sale due to increased bank costs.

Sale Price	Range of Sale Prices						
	\$34,500,000 (current valuation)	\$ 33,500,000	\$ 32,500,000	\$ 31,500,000	\$ 30,500,000	\$ 29,500,000	\$ 28,500,000
Estimated Sale Costs (1.65%)	\$ 569,250	\$ 552,750	\$ 536,250	\$ 519,750	\$ 503,250	\$ 486,750	\$ 470,250
Net Sale Price	\$ 33,930,750	\$ 32,947,250	\$ 31,963,750	\$ 30,980,250	\$ 29,996,750	\$ 29,013,250	\$ 28,029,750
Bank Loan Repaid	\$ 14,445,000	\$ 14,445,000	\$ 14,445,000	\$ 14,445,000	\$ 14,445,000	\$ 14,445,000	\$ 14,445,000
Shareholders' Equity	\$ 19,485,750	\$ 18,502,250	\$ 17,518,750	\$ 16,535,250	\$ 15,551,750	\$ 14,568,250	\$ 13,584,750
No. of shares	19,300,000	19,300,000	19,300,000	19,300,000	19,300,000	19,300,000	19,300,000
Value of return per original share held if sold in current market	\$ 1.01	\$ 0.96	\$ 0.91	\$ 0.86	\$ 0.81	\$ 0.75	\$ 0.70

Note: References to shares and related concepts in the above table are to shares in 650 GSR.

Effect of introducing new capital

If the offer of Shares is successful, new Shares will be issued to the Applicants, and the Issuer Loan will be made to 650 GSR. However, it is expected that the Further Funding of approximately \$780,000 will be required in during July/August 2025 to fund the fitouts of the remaining vacant tenancies, when tenants are found. If the Further Funding constitutes a ‘major transaction’ under the Companies Act (which is currently expected to be the case), it will only be able to proceed if approved by Shareholders by Special Resolution.

4 Key dates and offer process

Offer Opening Date	6 December 2024
Offer Closing Date	18 December 2024
Date of issue of Shares	Anticipated to be 20 December 2024, being two Working Days from the Offer closing date.
Intended date of first dividend payment	31 March 2025. These returns are not guaranteed. The actual dividends paid may vary.

The above dates are indicative only and may change.

The Issuer reserves the right to alter or extend these dates (including to close the Offer early), but by no longer than 2 months from the dates indicated above. The Issuer may also withdraw the Offer at any time before the issue of Shares or accept late Applications (either generally or in individual cases). The Issuer also reserves the absolute right in its sole discretion to accept or reject any Application in whole or in part without assigning any reason.

See the "*Key terms of the Offer*" within Section 1 "*Key Information Summary*" for further information about these dates.

5 Terms of the offer

Summary of Offer	<p>The Offer is for B Shares in the Issuer. The Shares will rank equally in all respects with other B Shares in the Issuer. Each Share is an ordinary share that confers an equal right to share in dividends and other distributions authorised by the Board, and to cast a vote at meetings of shareholders, in accordance with the Companies Act and the Constitution.</p> <p>See "Key terms of the Offer" in Section 1 "<i>Key Information Summary</i>" for an overview of what the Offer involves and Section 6 "<i>Key Features of the Issuer's Shares</i>" for an outline of the key features of the Shares. No person guarantees the value or liquidity of the Shares offered under this Offer. No person guarantees the future performance of the Issuer or any return on the Shares.</p>
Key dates	See Section 4 " <i>Key dates and Offer process</i> " for information about the key dates for the Offer.
Price for Shares	<p>\$1.00 per Share, minimum Application of One Share Parcel of 10,000 Shares, and thereafter in multiples of 10,000 Shares.*</p> <p>No independent or objective mechanism has been used to set the issue price of the Shares. In determining the fixed price, the Directors considered the fact that the Offer is a share offer in a new company without assets, meaning there is no dilution of shareholders' value or any objective method for determining the pre-Offer share price. Accordingly, a commencement value of \$1 per Share was considered appropriate by the Directors.</p>
Structure of the Offer	<p>The Offer is an offer of 120 Share Parcels of 10,000 Shares in the Issuer, being a total of 1,200,000 Shares. The Issuer will not take subscriptions over or under this amount. Shares are expected to be allotted within two Working Days after the closing date for this Offer. Shares will be issued in Share Parcels of 10,000 Shares.</p> <p>The minimum number of Share Parcels for an Investor is one.* The maximum number of Share Parcels per Investor is 24 (being \$240,000 in total).</p>
Refunds	<p>The Offer may be withdrawn by the Issuer at any time before the issue of the Shares, at the Issuer's sole discretion. If the Offer is withdrawn, then the subscription monies will be refunded.</p> <p>The Issuer may decline any Application, in its discretion. Money received in respect of Applications which are declined will be refunded.</p> <p>Refunds will be paid to unsuccessful Applicants within 10 Working Days of the allocation of Shares or after the Application has been declined (as applicable), provided that all information and documents required by the Anti-Money Laundering and Countering Financing of Terrorism Act 2009, as set out in the Application Form, have been provided.</p> <p>Refunds will be paid to the bank account specified by the Applicant for future dividend payments in the Application Form.</p>
Applications	<p>An Application is an offer to subscribe for Shares for the amount specified in the Application Form, on the terms and conditions set out in this PDS (including, to the maximum extent permitted by law, any replacement or supplement of it), the entry on the Offer Register for this Offer (at www.disclose-register.companiesoffice.govt.nz, Offer ref: OFR13862), the Constitution, and the Application Form. By submitting an Application Form, an Applicant irrevocably agrees to subscribe for Shares on those terms, notwithstanding any variations to the proposed form of Issuer Loan agreement or extensions to the disbursement date of funds under that loan.</p> <p>If valid Applications for more than 1,200,000 Shares are received, unless the Board elects otherwise in its sole discretion, it intends to accept Applications in the order received.</p> <p>Until the allotment and issue of the Shares, subscription monies received will be held in the trust account of the Issuer's solicitors in escrow.</p> <p>The banking of subscription monies does not constitute confirmation of allotment of any Shares or the acceptance of an Application.</p> <p>This PDS is intended for use only in connection with the Offer of the Shares in New Zealand and does not constitute an offer or invitation in any place in which, or to any person whom, it would not be lawful to make such an offer or invitation. No action has been, or will be, taken to register this PDS in any jurisdiction other than</p>

	New Zealand or otherwise permit the offering of the Shares outside of New Zealand. This PDS is not to be sent or given to any person outside New Zealand in circumstances in which the Offer or distribution of this PDS would be unlawful. The Issuer, Maat and the Directors of the Issuer disclaim all liability to any person who is sent or receives this PDS outside New Zealand.
Allocation and Allotment	The allotment of Shares to successful Applicants is scheduled to take place within two Working Days from the Offer closing date (anticipated to be 20 December 2024). The allotment will be recorded on the Issuer's share register.
Constitution	The Constitution of the Issuer and the Companies Act prescribe the rights attached to the Shares. These are more particularly described in Section 6 " <i>Key features of the Shares</i> ". A copy of the Constitution can be found on the Offer Register at www.disclose-register.companiesoffice.govt.nz (Offer ref: OFR13862) under "Governing".
Administration fees	Under the Administration Deed, Maat is entitled to recover out of pocket expenses and any disbursements it incurs and is currently paid fees as set out in Section 2 " <i>The Issuer and what it does</i> ".
How to apply	See Section 11 " <i>How to apply</i> " for further information about Applications and how to apply for Shares.

* The Issuer reserves the right to, in its sole discretion, accept Applications for less than these minimums. The maximum stated is also subject to the 20% Limitation.

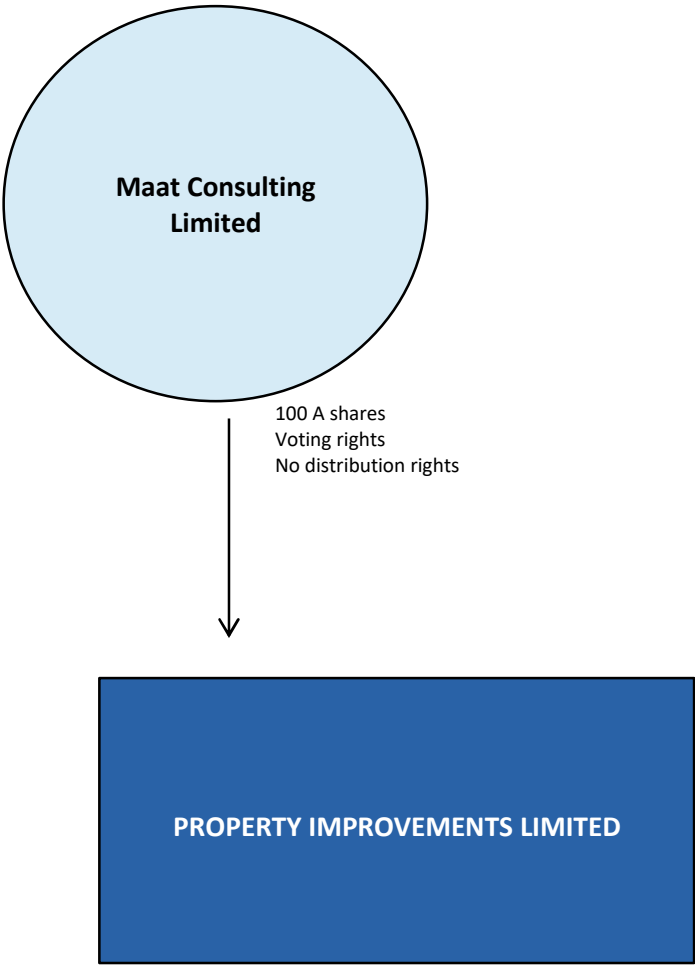
6 Key features of the Shares

The Issuer is a limited liability company, incorporated in New Zealand under the Companies Act and is subject to the laws of New Zealand. Investors will receive Shares in the Issuer. The key features of Shares do not differ from those that apply to ordinary shares in a New Zealand company generally, except as set out below. It is important to note that while the proceeds of the Offer will be loaned to 650 GSR pursuant to the Issuer Loan, Investors are being offered Shares in the Issuer and not debt securities.

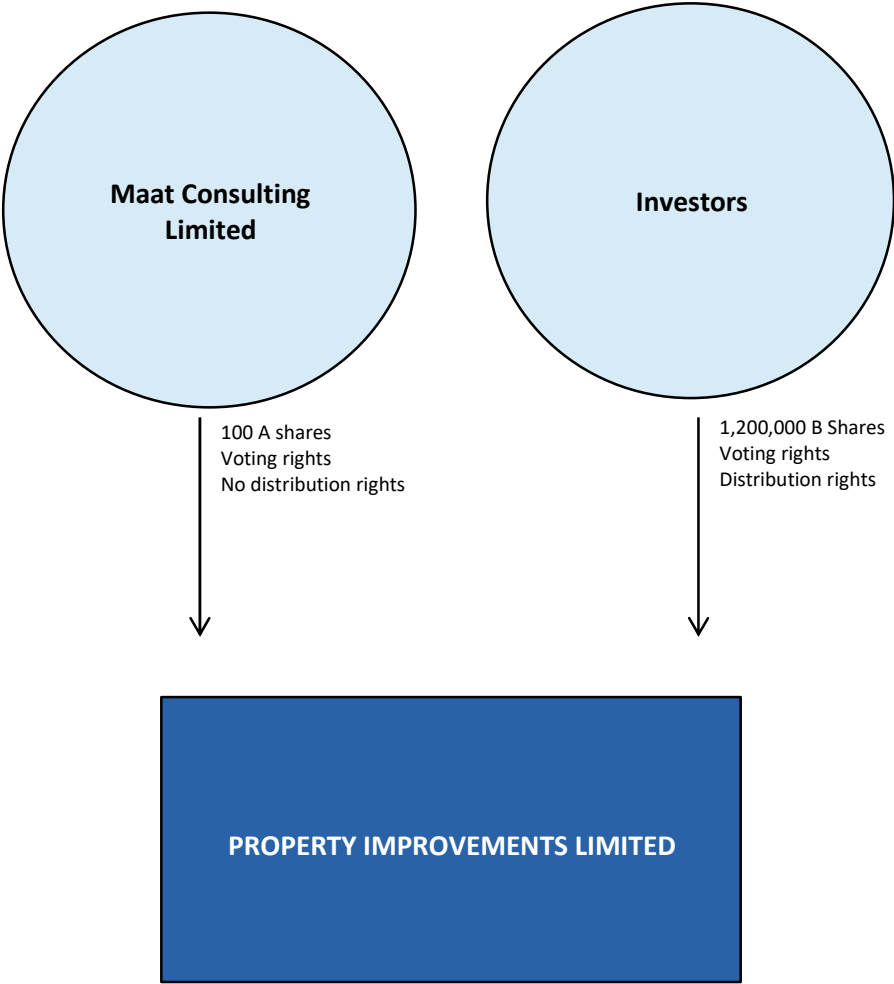
Rights attaching to the classes of shares in the Issuer

B Shares (Investor shares)	A Shares (Maat shares)
<p>Each B Share in the Issuer confers on the holder:</p> <ul style="list-style-type: none">the right to one vote on a poll at a meeting of the company on any resolution, including any resolution to:<ul style="list-style-type: none">appoint or remove a Director or auditor;adopt a constitution;alter the constitution of the Issuer;approve a major transaction (as defined in the Companies Act);approve an amalgamation; andput the Issuer into liquidation;the right to an equal share in dividends and other distributions authorised by the Board;the right to an equal share in the distribution of the surplus assets of the Issuer on its liquidation;the right to receive certain information, including notices of meetings and company reports, sent to shareholders generally; andthe right to exercise all other rights conferred on a shareholder by the Companies Act and the Constitution.	<p>Each A Share in the Issuer confers on the holder:</p> <p>The same rights as the B Shares except A Shares carry no right to dividends or other distributions made by the Issuer, nor any right to share in the distribution of the surplus assets of the Issuer on liquidation.</p> <p>The A Shares will be surrendered for no consideration by Maat and cancelled if it is removed or resigns as the “Administrator” under the Administration Deed.</p>

BEFORE COMPLETION OF OFFER



AFTER COMPLETION OF OFFER



Distribution Policy

Under the Constitution, subject to the requirements of the Constitution (including a requirement for the Issuer to meet the applicable solvency test), the Board may distribute and pay to the Shareholders dividends or cash distributions quarterly in arrears on the last Working Day of each quarter. For this purpose, the first “quarter” will be the period from the date of issue of the Shares to 31 March 2025. Subject to the Constitution, dividends or cash distributions will be apportioned between the Shareholders pro-rata according to the number of B Shares held by them.

It is intended that the Issuer’s dividend policy be based on net cash flow from interest and principal repayments made by 650 GSR. It is intended that the projected gross dividend yield of 9% per annum (for the period from the allocation of Shares to 31 March 2028) will be paid (less tax at the Investors’ selected tax rate) by quarterly instalments on the last Working Day of each 3 month period. Such quarterly dividends are reliant on the Issuer receiving full interest payments under the Issuer Loan. The Board will monitor the Issuer’s projected cash flow and capital requirements and will review this policy annually. It is anticipated that the first quarterly dividend will be for the period from the issue of the Shares until 31 March 2025 and paid on 31 March 2025.

The taxation of these dividends is set out in Section 9 “Tax”. If the Issuer registers as a PIE and a multi-rate PIE as defined in the Income Tax Act 2007, the distribution will be Attributed PIE Income and tax will be paid at your prescribed investor rate (**PIR**). PIE Tax Certificates will be sent to all Shareholders after completion of the Issuer’s annual financial statements.

None of the Issuer, its Directors, Maat or any other person gives any assurances or guarantee as to the level or frequency of any distribution payable. Dividends are not guaranteed in any way. Payment of distributions (if any) is at the discretion of the Board and distributions (if any) will only be declared after the Issuer meets appropriate solvency requirements.

See Section 7 “*The Issuer’s financial information*” for more information on distributions.

Resolutions and extension of Issuer Loan

- Shareholders may meet and pass resolutions. Meetings may be called by shareholders holding not less than 5% of shares entitled to vote on any issue or at the request of the Board.
- Unless otherwise specified in the Companies Act or the Constitution, a power reserved to shareholders may be exercised by an Ordinary Resolution. An Ordinary Resolution is a resolution that is approved by a simple majority of the votes of those shareholders entitled to vote and voting on the question.
- Certain decisions can only be approved by a Special Resolution. These include alterations to or the revocation of the Constitution, major transactions (as defined in the Companies Act), an amalgamation under section 221 of the Companies Act and the liquidation of the Issuer. A Special Resolution is a resolution of shareholders approved by a majority of 75% of the votes of those shareholders entitled to vote and voting on the question, or a written resolution passed in accordance with the Constitution.
- A meeting of shareholders will be convened by the Board not less than six months prior to the repayment date for the Issuer Loan to resolve by Special Resolution whether to approve, as a major transaction, an extension of the Issuer Loan or to place the Issuer into liquidation. If at this meeting shareholders do not resolve to liquidate the Issuer, the Issuer will continue until such time as shareholders resolve, at a subsequent meeting, to liquidate the Issuer.

Investors’ right to sell Shares

- Investors may sell or otherwise dispose of their Share(s) to any person subject to the terms and conditions set out in the Constitution. B Shares may only be transferred in a minimum parcel of 10,000 shares (or in multiples of 10,000 shares), although the Board may waive this requirement in its discretion. The Board can refuse or delay registration of share transfers in the situations set out in the Constitution, including if the Board considers that it is not in the best interests of the Issuer to register the transfer, or if registration of the transfer, in the opinion of the Board, would or could threaten the Issuer’s status as, or eligibility to be, a PIE.

Shareholders’ pre-emptive rights

- Subject to the Companies Act and the Constitution, the Board may issue additional shares (and rights or options to acquire shares) of any class (including

redeemable shares) at any time, to any person and in such numbers as the Board thinks fit.

- However, the Board may not issue additional shares that rank or would rank as to voting or distribution rights, or both, equally with or prior to existing shares unless:
 - in the case of shares of an existing class, they are first offered to the holders of existing shares of that class; or
 - in the case of a new class, they are first offered to all shareholders,

in a manner and on terms that would, if accepted, maintain the existing voting or distribution rights, or both, of those shareholders.

Risks associated with Shares

Please also see Section 8 “*Risks to the Issuer’s business and plans*” for a description of the key risks associated with Shares.

7 The Issuer's financial information

This section contains prospective financial information, which is based on the Issuer's assessment of events and conditions existing at the PDS Date. You should read the information in light of those assumptions and in conjunction with the other information in this PDS, including the risks set out in Section 8 "*Risks to Issuer's business and plans*". Going forward, the Board will be responsible for the preparation and fair presentation of financial statements for the Issuer that comply with GAAP in New Zealand.

The Issuer's financial information

The below table provides key financial information about the Issuer. Full financial statements are available on the Offer Register at www.disclose-register.companiesoffice.govt.nz (Offer ref: OFR13862). If you do not understand this financial information, you can seek advice from a financial advice provider or an accountant.

The information in this table is prospective only and there are not yet available any historic financial statements for the Issuer. The information in this table has not been audited or subject to an assurance review by a qualified auditor.

Selected financial information

Property Improvements Limited	Prospective (7.55 Months) 31/03/2025 \$	Prospective (12 Months) 31/03/2026 \$	Prospective (12 Months) 31/03/2027 \$	Prospective (12 Months) 31/03/2028 \$
Income				
Interest Received	30,477	148,774	178,200	178,200
Operating Expenses Recovered	14,600	30,177	30,832	31,513
Total Income	45,077	178,951	209,032	209,713
Operating Expenses	14,600	30,177	30,832	31,513
Operating Profit before Taxation	30,477	148,774	178,200	178,200
Income Tax Expense	-	-	-	-
Net Profit After Tax	30,477	148,774	178,200	178,200
EBITDA¹	30,477	148,774	178,200	178,200
Dividends on A Shares	-	-	-	-
Dividends on B Shares	30,477	148,774	178,200	178,200
Dividends on all Equity Securities	30,477	148,774	178,200	178,200
Total Assets	1,207,000	1,987,245	1,987,499	1,987,761
Cash and Cash Equivalents	-	-	-	-
Total Liabilities	7,000	7,245	7,499	7,761
Total Debt	-	-	-	-
Total Equity	1,200,000	1,980,000	1,980,000	1,980,000
Net Cash Flow from Operating Activities	30,477	148,774	178,200	178,200

¹ EBITDA is non-GAAP information. Please refer to the Prospective Financial Information on the Offer Register for further information and a reconciliation to information prepared in accordance with GAAP.

Notes and Principal Assumptions for the years ending 31 March 2025, 2026, 2027 and 2028

The prospective financial information in this section is based on various best estimate assumptions, and the principal assumptions are briefly summarised below. Further information, including further information about those assumptions, can be found in the prospective financial information on the Offer Register at www.disclose-register.companiesoffice.govt.nz (Offer ref: OFR13862) under "Other material information." The principal assumptions below should be read in conjunction with the statement of accounting policies included in that prospective financial information and the risk factors set out in Section 8 "*Risks to the Issuer's business and plans*".

Equity raise, offer costs and settlement

It is assumed that \$1,200,000 of equity is raised in the Offer to fund the Issuer Loan to 650 GSR. These funds will be applied by 650 GSR to pay for the Refurbishments, to repay an existing overdraft taken out to partly fund those works, and to pay the costs of this Offer as detailed below. The Shares are being offered in \$10,000 parcels.

Tenancy Fitouts	412,887
Ground Floor Bathroom Upgrade	150,000
Repayment of Bank Overdraft	360,000
Contingency for Works	11,027
Offer Costs	156,522
GST (claimed back from Inland Revenue)	109,564
	\$ 1,200,000
Represented By:	
Subscriptions from Investors	1,200,000
	\$ 1,200,000

Estimated Costs of Offer	
Offer Costs Payable by 650 GSR	
Legal Fees	110,000
Establishment Fee	25,000
Statutory Fees	8,978
Valuation Fees	6,393
Contingency	6,151
GST	23,478
Total Estimated Offer Costs	\$ 180,000

Note: The GST amount of \$109,564 is expected to be refunded by the Inland Revenue and used for working capital.

Income

The main source of income for the Issuer will be "Interest Received" from 650 GSR on the \$1,200,000 Issuer Loan advanced. The interest rate per the Issuer Loan agreement will be 9% per annum and the initial term of the Issuer Loan expires on 31 March 2028.

"Operating Expenses Recovered" income includes the recovery of the operating expenses from 650 GSR, which is responsible for paying these expenses.

Cash at bank

The cash balance will be \$Nil at the end of every year as all income received from interest received will be distributed to Shareholders as distributions and the "Operating Expenses Recovered" will be paid out to suppliers for operating expenses incurred.

Cash will be held during the year in accounts which meet the accounting definition of cash and cash equivalents.

Shareholder Distributions

The Shares are being offered in \$10,000 parcels at \$1.00 per Share. The distributions payable to Shareholders is forecast to be 9%, payable quarterly in arrears. The first distribution payment is forecast to be paid on 31 March 2025, which will include the period from commencement of the Issuer Loan through to 31 March 2025.

Tax

The Issuer intends to register as a PIE and therefore, the Issuer itself will not be subject to tax. Instead, the Issuer will attribute income to the Shareholder and, where

applicable, deduct tax at the individual Investor's PIR before it is paid to the Investor. The Issuer will pay the tax deducted to the Inland Revenue. The Investor will be responsible for electing the Investor's correct PIR in the Application Form. If the Investor's PIR changes the Investor will be responsible for notifying Maat and the Issuer of the change.

Loan to 650 GSR

On completion of the Offer, the Issuer intends to loan all the funds to 650 GSR pursuant to the Issuer Loan. The initial term of the Issuer Loan will be through to 31 March 2028 with a 9% interest rate. Interest will be payable quarterly in arrears. The first payment of interest is forecast to be paid on 31 March 2025, which will include the period from commencement of the Issuer Loan through to 31 March 2025. The forecasts also assume that a further equity raise is completed in July/August 2025 to enable a further loan to 650 GSR to fund the required fitouts for two further vacancies. It is forecast that the second loan would be for \$780,000 and that the terms of that loan would be the same as the initial Issuer Loan. This would mean that the total balance of loans from the Issuer to 650 GSR will increase from \$1,200,000 to \$1,980,000. The forecasts assume that the total loan is refinanced on the expiry date of 31 March 2028, either through extending the term of the Issuer Loan or via obtaining alternative funding from a bank.

Related Parties

The prospective financial information assesses that Maat will be paid \$25,000 + GST by 650 GSR as an "Establishment Fee" on completion of the Offer.

The administration fees payable to Maat by the Issuer will be \$1,600 plus GST in 2025, \$4,832 plus GST in 2026, \$4,929 + GST in 2027 and \$5,027 plus GST in 2028. The Administration Deed states that the administration fees payable to Maat are \$4,800 + GST, adjusted via the Consumer Price Index (CPI) annually. These fees are to be recovered from 650 GSR and then paid directly from the Issuer to Maat.

The Issuer will advance \$1,200,000 to 650 GSR and receive interest at 9% per annum on the Issuer Loan payable quarterly in arrears, expected to be \$108,000 annually on the loan advanced of \$1,200,000. The forecasts also assume that a further \$780,000 will be advanced to 650 GSR in the 2026 financial year on the same terms. This would mean that the annual interest payable from 650 GSR to the Issuer would be \$178,200. Neil James Tuffin and Mark Geoffrey Hughson are Directors of Maat, 650 GSR and the Issuer.

Contingent Liabilities

There will be no contingent liabilities as at 31 March 2025, 2026, 2027 or 2028.

Operating Environment and Taxation

The prospective financial information assumes there will be no material changes in the economic environment, legal requirements or the current tax regulations and the Issuer continues to qualify as a PIE.

Issue of Shares

The prospective financial information assumes that all 120 share parcels of \$10,000 each are issued for \$1,200,000. The Investors as holders of Shares will be entitled to receive distributions as declared from time to time. If a poll is taken at a meeting of the Shareholders, each Share has one vote and ranks equally with regard to the Issuer's residual surplus assets.

Capital Commitments

As at 31 March 2025, 2026, 2027 and 2028, it is assumed that the Issuer will have no capital commitments.

Actual Results

Actual results may differ from the prospective financial information. The resulting variance may be material.

The Issuer, the Board and Maat give no guarantee or assurance that the prospective results will be achieved.

The prospective financial information should be read in conjunction with Section 8 "*Risks to the Issuer's Business and Plans*" of this PDS. An analysis of the sensitivity of the prospective financial information to changes in specific key assumptions is included in Section 3 of the prospective financial information for the Issuer on the Offer Register.

650 GSR's financial information

The below table provides key financial information about 650 GSR. This information is provided to assist potential investors when evaluating the Offer. Full historic and forecast financial statements are available for 650 GSR on the Offer Register at www.disclose-register.companiesoffice.govt.nz (Offer ref: OFR13862). If you do not understand this financial information, you can seek advice from a financial advice provider or an accountant. The information in this table includes three years of actual information and 4 years of prospective information. The prospective information in this table has not been audited or subject to an assurance review by a qualified auditor.

650 Great South Road Limited	Actual 31/03/2022 \$	Actual 31/03/2023 \$	Actual 31/03/2024 \$	Prospective (12 Months) 31/03/2025 \$	Prospective (12 Months) 31/03/2026 \$	Prospective (12 Months) 31/03/2027 \$	Prospective (12 Months) 31/03/2028 \$
Income							
Lease Income	2,062,709	2,545,069	1,661,133	1,515,082	2,217,997	2,560,306	2,576,419
Operating Expenses Recovered	485,950	508,726	434,541	397,895	608,731	724,229	749,577
Other Income	17,712	1,144,463	159,797	672	671	671	671
Total Property Income	2,566,371	4,198,258	2,255,471	1,913,649	2,827,399	3,285,206	3,326,667
Operating Expenses	742,252	1,344,478	1,300,385	956,439	990,613	1,036,012	1,069,634
Operating Profit before Finance and Fair Value Movements	1,824,119	2,853,780	955,086	957,210	1,836,786	2,249,194	2,257,033
Finance Costs	487,891	889,303	1,220,408	1,173,716	1,090,220	1,057,117	1,057,117
Operating Profit before Fair Value Movements	1,336,228	1,964,477	(265,322)	(216,506)	746,566	1,192,077	1,199,916
Movement in Value of Investment Property	1,576,411	(4,654,049)	(3,108,231)	2,548,279	(998,680)	83,900	94,526
Net Profit after Tax	2,912,639	(2,689,572)	(3,373,553)	2,331,773	(252,114)	1,275,977	1,294,442
EBITDA¹	3,400,530	(1,800,269)	(2,153,145)	3,505,489	838,106	2,333,094	2,351,559
Interest Rate Cover ^{1,2}	3.74	3.21	0.78	0.82	1.68	2.13	2.14
Dividends on A Shares	-	-	-	-	-	-	-
Dividends on B Shares	1,495,750	1,013,250	-	-	241,250	965,000	965,000
Dividends on all Equity Securities	1,495,750	1,013,250	-	-	241,250	965,000	965,000
Total Assets	38,941,183	35,076,538	31,478,163	34,697,106	34,990,833	35,391,888	35,804,372
Cash and Cash Equivalents	630,636	991,521	86,031	146,635	445,647	844,853	1,255,392
Total Liabilities	15,146,963	14,985,140	14,758,487	15,645,658	16,432,750	16,522,827	16,605,869
Total Debt	14,835,000	14,505,000	14,445,000	15,504,053	16,266,513	16,345,757	16,425,000
Gearing Ratio ^{1,2}	38.10%	41.35%	45.89%	44.68%	46.49%	46.19%	45.87%
Total Equity	23,794,220	20,091,398	16,719,676	19,051,448	18,558,083	18,869,062	19,198,503
Net Cash Flow from Operating Activities	1,423,673	2,402,903	(166,930)	(209,549)	614,769	1,364,206	1,375,538

¹ EBITDA, Interest Rate Cover and Gearing Ratio are non-GAAP information. Please refer to the Prospective Financial Information on the Offer Register for further information and a reconciliation to information prepared in accordance with GAAP.

² Interest Rate Cover measures the adequacy of 650 GSR's profits relative to interest payments on its loan and Gearing Ratio is a measure of the extent to which the property is funded by lenders versus shareholders.

Notes and Principal Assumptions for the years ending 31 March 2025, 2026, 2027 and 2028

The prospective financial information in this section is based on various best estimate assumptions, and the principal assumptions are briefly summarised below. Further information, including further information about those assumptions, can be found in the prospective financial information on the Offer Register at www.disclose-register.companiesoffice.govt.nz (Offer ref: OFR13862) under "Other material information." The principal assumptions below should be read in conjunction with the statement of accounting policies included in that prospective financial information and the risk factors set out in Section 8 "*Risks to the Issuer's business and plans*".

Income

Rental income has been forecast based on existing Lease agreements with Tenants. The prospective financial information assumes that there will be no Tenant default and no delays in receipt of payment from debtors.

The prospective financial information reflects all market and fixed rent reviews occurring during the prospective financial information period. Market reviews have been forecast as per the 31 July 2024 Valuation (a copy of which can be found on the Offer Register).

Tenancies subject to renewal during the prospective financial information period

Three tenancy leases in the portfolio are due for renewal during the prospective financial information period. KTK has two leases expiring on 31 July 2025, these are for their ground floor, Level 2 (combined in one lease) and Level 3 tenancies. The Ministry of Health lease expires on 14 December 2025. No correspondence has been received from either of these tenants as to their intention when these leases expire. KTK has two further rights of renewal of three years each and Ministry of Health has a two year right of renewal, followed by a one year right of renewal. The prospective financial information assumes that both these Tenants exercise their first right of renewal.

Tenancies expiring with no rights of renewal during the prospective financial information period

There are no Leases expiring during the prospective financial information period that do not have any remaining rights of renewal.

Current Vacancies

There are three vacancies within the Property, 1,022.28sqm on the Ground Floor, 1,137.97sqm on Level 1 and 1,271.38sqm on Level 2, along with 88 car park spaces. The prospective financial information assumes that both the Ground Floor and Level 2 tenancies are leased by 1 September 2025, and the new tenants receive six-months' rent free (excluding car parks and outgoings) for an initial lease term of six years. The

remaining vacant space on Level 1 is not forecast to be tenanted during the prospective financial information period.

Interest

The interest rate on the Bank Loan has been assumed to be at a floating rate. The floating rate is based on the Bank's 30-day Bill Rate and a fixed margin. Full details of the interest rates are disclosed in the prospective financial information.

The interest rate on the Issuer Loan is forecast to be 9% per annum as per the Issuer Loan agreement, payable quarterly in arrears.

Cash at bank

The cash at bank is increasing from \$146,635 at 31 March 2025 to \$445,647 at 31 March 2026 and then increasing to \$844,853 at 31 March 2027 and \$1,255,392 at 31 March 2028. The cash reserves may be used for future:

- Building maintenance
- Capital expenditure
- Rises in interest rates
- Lease vacancies
- Tenancy considerations

Cash will be held in accounts which meet the accounting definition of cash and cash equivalents.

Property Valuation

The valuation by Jones Lang LaSalle Limited, Auckland as at 31 July 2024 was \$34,500,000 "As if Complete" and \$31,600,000 "As Is". The Refurbishments have already been completed so 650 GSR has adopted the "As if Complete" valuation for prospective financial information purposes. The Property will be revalued at the end of every financial year, however for the purpose of the forecasts it is assumed that there will be no movement in the fair value due to any underlying changes in the valuation being unable to be accurately predicted. The Valuation received is for product disclosure statement purposes only. The Valuation includes a limitation that the Valuer has not considered the financial standing of the Tenants in determining its Valuation.

The actual movements in fair value are likely to be different to what is assumed in the prospective financial information as the actual valuations will be based on rents, market yields and other contributing factors as at the relevant valuation dates. Management notes a degree of caution should be applied when referencing valuations in the current economic climate.

The Property and the leases are considered as a single asset because the associated leases on the Property, including any movements in lease terms, directly impact the

Property's fair value. Rent receivable is recognised on a straight-line basis over the period of the lease. Where an incentive (such as a rent-free period) is given to a tenant, the carrying value of the Property excludes any amount reported as a separate asset as a result of recognising rental income on this basis.

The unrealised change in fair value of the Property is included in the Prospective Statement of Comprehensive Income.

Shareholder Distributions

Distributions to shareholders in 650 GSR are forecast to resume from 1 November 2025. Distributions to shareholders and Inland Revenue are paid based on the number of shares owned.

A summary of the forecast distribution rates is provided below:

Date Range	Gross distribution rate per B Share in 650 GSR per annum	Total return paid on 19,300,000 B Shares in 650 GSR per annum
1 November 2025 to 31 March 2026	3.00%	\$241,250
1 April 2026 to 31 March 2027	5.00%	\$965,000
1 April 2027 to 31 March 2028	5.00%	\$965,000

Tax

650 GSR is registered as a PIE and therefore, 650 GSR itself will not be subject to tax. Instead, 650 GSR will attribute income to the 650 GSR Shareholder and, where applicable, deduct tax at the 650 GSR Shareholder's PIR before it is paid to the 650 GSR Shareholder. 650 GSR will pay the tax deducted to the Inland Revenue. The 650 GSR Shareholder was responsible for electing their correct PIR when investing in 650 GSR. If a 650 GSR Shareholder's PIR changes the 650 GSR Shareholder will be responsible for notifying Maat and 650 GSR of the change.

Borrowings

ASB Bank

The level of bank borrowings with the Bank is currently \$14,445,000. The current expiry of the Bank Loan is 31 March 2025. The prospective financial information assumes that the Bank Loan is renewed on 31 March 2025 for no longer than one year, but after the expiry of this term, the loan is renewed for a further two-year term.

Issuer Loan (Property Improvements Limited)

After completion of the Offer, the Issuer will loan \$1,200,000 to 650 GSR, for an initial term that expires on 31 March 2028.

The forecasts also assume that a further equity raise of \$780,000 is completed by the Issuer in July/August 2025 and these funds are loaned to 650 GSR on the same terms as the initial Issuer Loan. This would mean that the total balance of loans from the Issuer to 650 GSR will increase from \$1,200,000 to \$1,980,000. The forecasts assume that the total loan is refinanced on the expiry date of 31 March 2028, either through extending the term of the Issuer Loan or via obtaining alternative funding from a bank. 650 GSR is responsible for paying the Offer costs of \$180,000 (GST Incl) on completion of the Offer.

The financial covenants applicable to the Bank Loan are as follows:

- Loan to Value Ratio:** The LVR must not exceed 52.5% of the value of the Property at all times.
- Interest Cover Ratio:** The ICR is not, at any times, to be lower than 1.5 times.

Further detail on these covenants can be found on pages 13 to 16, under the heading "Key terms of the Bank Loan from the Bank to 650 GSR."

As at the PDS Date, the Bank calculates the LVR based on the 31 March 2024 valuation of \$31,300,000. Using that valuation, the LVR is currently 46.15%. After the Issuer Loan is made, the LVR will increase to 49.98%.

The ICR is currently 1.24 times and accordingly 650 GSR is currently in breach of this covenant. As at the PDS Date, the Bank has waived the existing ICR covenant breach but reserves the right to review. The Bank has stated that it expects 650 GSR to be in compliance with the ICR covenants by 30 September 2025.

Borrowings are classified as current liabilities unless 650 GSR has the right to defer settlement of the liability for at least twelve months after the reporting period. A covenant does not affect whether the right to defer settlement exists at the end of the reporting period if 650 GSR is required to comply with the covenant only after the end of the reporting period.

Related Parties

The prospective financial information assesses that Maat will be paid \$25,000 + GST directly from 650 GSR as an "Establishment Fee" on completion of the Offer.

The management fees payable to Maat will be \$39,213 plus GST in 2025, \$51,568 plus GST in 2026, \$67,449 plus GST in 2027 and \$68,501 in 2028. The management fees payable are 2.02% plus GST of "gross rental income" as per the management agreement between Maat and 650 GSR and original product disclosure statement for the offer of B Shares in 650 GSR.

In addition to management fees, Maat charges an annual property accounting fee of \$12,943 plus GST (payable monthly in advance), adjusted by the annual movement in the CPI.

Maat also charges an annual accounting fee of \$3,055 plus GST (payable annually following preparation of financial statements and audit), adjusted by the annual movement in the CPI on 31 March.

Mark Hughson is a non-beneficiary trustee of 1 trust that holds 2 parcels in 650 GSR and receives a share of the distributions.

On completion of the Offer, the Issuer will loan \$1,200,000 to 650 GSR and along with interest of 9% per annum, 650 GSR will also be responsible for paying the regular operating costs of the Issuer which includes administration fees payable to Maat of \$4,800 plus GST per annum, adjusted by the annual movement in the CPI.

Neil James Tuffin and Mark Geoffrey Hughson are Directors of Maat, 650 GSR and the Issuer.

Contingent Liabilities

There will be no contingent liabilities as at 31 March 2025, 2026, 2027 or 2028.

Operating Environment and Taxation

The prospective financial information assumes there will be no material changes in the economic environment, legal requirements or the current tax regulations and 650 GSR continues to qualify as a PIE.

Capital Commitments

As at 31 March 2025, 2026, 2027 and 2028, it is assumed that 650 GSR will have no capital commitments as any capital work forecast in these financial years is assumed to be completed by the end of the relevant financial year.

Actual results

Actual results may differ from the prospective financial information. The resulting variance may be material.

650 GSR, the Issuer, the Board and Maat give no guarantee or assurance that the prospective results will be achieved.

The prospective financial information should be read in conjunction with Section 8 *“Risks to the Issuer’s business and plans”* of this PDS. An analysis of the sensitivity of the prospective financial information to changes in specific key assumptions is included in Section 3 of the prospective financial information for 650 GSR on the Offer Register.

8 Risks to the Issuer's business and plans

Investments in shares are risky. You should consider whether the degree of uncertainty about the Issuer's and 650 GSR's future performance and returns is suitable for you. The price of these Shares should reflect the potential returns and the particular risks of these Shares.

This section sets out a description of the circumstances the Issuer is aware of at the PDS Date that exist or are likely to arise that significantly increase the risk to the Issuer's financial position, financial performance, or stated plans. The table below sets out particulars of why each circumstance is of particular significance and an assessment of the likelihood of any impact arising, the nature of that impact, and the potential magnitude of that impact along with strategies to mitigate the impact.

The circumstances have been identified by the Issuer on the basis of information known to it as at the PDS Date and on an assessment of the probability of a circumstance occurring and the anticipated impact of that circumstance if it did occur. This section may not cover all of the circumstances that may present a risk to returns now or in the future, and there is no guarantee that the importance of each circumstance will not change. If these risks were to occur and if they were not appropriately mitigated by the Issuer, they could have a material adverse effect on the Issuer's financial position or future financial performance. The Issuer has taken, and will, in the future, take steps to mitigate the effects of these circumstances. However, those steps may not be effective, and some risks may not be fully capable of mitigation. There may also be risks that are currently unknown that may affect your investment in Shares at a future point in time.

Potential investors in the Issuer should carefully consider these risk factors (together with the other information in this PDS) before deciding whether to invest in the Issuer. The description of the risks in this section does not take into account the personal circumstances, financial position or investment preferences of any individual and it is therefore important that, before deciding to invest in the Shares, you consider the suitability of the investment in the context of your own individual profile for investments, investment objectives, and personal circumstances (including financial and taxation issues).

If you do not understand the information in this section, you should consult a financial advice provider or legal adviser. No person guarantees the payment of any money in respect of an investment in Shares, including the payment of any returns (whether dividends or capital) in respect of Shares.

Risks relating to Bank funding

Risk	Risks relating to expiry of Bank Loan and inability to refinance
Description and potential magnitude of impact	<p>Even if the full amount of required capital is raised and 650 GSR is able to remedy the breaches of its ICR covenant (as outlined below), 650 GSR's current Bank Loan expires on 31 March 2025 and there is a risk that the Bank may not be willing to refinance the Bank Loan at that stage and that 650 GSR may be unable to obtain alternate finance.</p> <p>In that situation, the Property may need to be sold in a sub-optimal timeframe or may be subject to a "forced sale" by the Bank, resulting in a lower sale price. In a forced sale, the Issuer would only receive repayment of the Issuer Loan after the Bank Loan has been fully repaid. This may result in a loss of some, or all, of the investment made by Investors.</p> <p>Any refinancing may involve higher rates, which would affect 650 GSR's cash returns, and consequently 650 GSR's ability to make interest and principal payments on the Issuer Loan.</p> <p>It is expected that the Bank will assess future lending on the Property based on past loan repayment history, the current valuation of the Property, the existence of other debt (including the Issuer Loan), the Tenancies in place and the availability of funds at the time.</p> <p>On refinancing (which cannot be assured, as outlined above), the Bank may require a debt reduction programme in line with a reduced LVR target and any debt reduction programme would increase amounts paid to the Bank and so decrease amounts payable to the Issuer. Although not</p>

	currently expected to be required (in light of the expected Further Funding), it is possible that 650 GSR would need to raise additional capital in order to refinance the Bank Loan or obtain alternate finance, depending on the loan conditions proposed by the applicable lender at the time.
Assessment of likelihood and mitigation	The Issuer, based on its Directors' experience with obtaining funding and relationships with trading banks for other properties in New Zealand, considers that this risk can be mitigated by 650 GSR through active management of its funding and banking arrangements, and that therefore the risk of this circumstance arising is low. The directors of 650 GSR have advised that they intend to commence the process of refinancing or replacing the Bank Loan sufficiently in advance of the expiry of the Bank Loan that any need for further capital or to take other actions can be identified and addressed prior to the Bank Loan expiry.

Risk	Bank covenant risks
Description and potential magnitude of impact	<p>The Issuer does not have or propose to obtain any debt funding. However, 650 GSR is required to comply with two key covenants under the Bank Loan (one of which it is currently in breach of), as follows:</p> <ul style="list-style-type: none"> Loan to Value Ratio: The LVR must not exceed 52.5% of the value of the Property at all times. In summary, this is calculated as the ratio of: <ul style="list-style-type: none"> the total outstanding money under all Facilities (as defined in the Bank Loan agreement, including the Bank Loan and the Issuer Loan, but excluding any interest rate hedging facility provided by the Bank to 650 GSR) and the Facility limits; to the Property's current market value (as evidenced by the most recent valuation held by the Bank from a valuer approved by the Bank). The LVR calculated using the valuation as at 31 March 2024 of \$31,300,000 (the valuation used by the Bank) is 46.15%. After the Issuer Loan is made, the LVR (taking into account both the Issuer Loan and the Bank Loan) will be 49.98%. Interest Coverage Ratio: The ICR is not, at any time, to be lower than 1.5 times. In summary, this is calculated as the ratio of 650 GSR's Net Rentals to its Interest Expense (as defined on page 15). The ICR is 1.24 times as at the PDS Date, and accordingly 650 GSR is currently in breach of this covenant. <p>If the money is not raised pursuant to this Offer and loaned to 650 GSR, 650 GSR may not be able to attract tenants, which may lead to the ICR covenant continuing to be breached. As at the PDS Date, the Bank has waived the existing ICR covenant breach but reserves the right to review. The Bank has stated that it expects 650 GSR to be in compliance with the ICR covenant by 30 September 2025.</p> <p>The Bank may, at any time during which 650 GSR is in breach of its financial or other covenants under the Bank Loan, exercise its enforcement powers under the Bank Loan against 650 GSR. Enforcement action may include charging default rate interest and costs, and ultimately a sale of the Property. If the Bank exercises its enforcement powers after this Offer closes and the Issuer Loan is made, the Issuer Loan would only be repaid following full repayment to the Bank and the potential return to the Issuer could be further reduced.</p>
Assessment of likelihood and mitigation	650 GSR is keeping the Bank informed, and the Bank is aware of this Offer. Maat considers the likelihood of forced sale to be low if tenants for the three remaining vacancies can be found and medium if these tenancies continue to remain vacant for a longer than the forecast period. Maat is actively engaged with agents and tenants and there has been some preliminary indications of interest in the tenancies (although no agreements have been reached).

Risk	Interest rate risk
Description and potential magnitude of impact	<p>The anticipated return to Investors is 9% per annum for the period to 31 March 2028, but is entirely dependent on 650 GSR making interest payments pursuant to the terms of the Issuer Loan. If 650 GSR cannot pay that rate of interest during the term of the Issuer Loan, Investors' returns will be reduced.</p> <p>In addition, 650 GSR's financial position, and so its ability to make required payments to the Issuer, will be impacted by interest rate variations on the Bank Loan. Interest on the Bank Loan is at a floating rate, calculated as set out on page 13. A default interest rate of 22.5% per annum will be payable in the event that default interest is charged (which the Bank is currently entitled to do).</p> <p>There is a risk that interest rates are not lowered in line with the rates projected in the prospective financial information. This would decrease the funds potentially available to pay interest to the Issuer, and therefore its ability to pay dividends.</p>
Assessment of likelihood and mitigation	<p>The Reserve Bank of New Zealand (RBNZ) lowered the Official Cash Rate (OCR) on 14 August 2024 from 5.50%, which had remained constant since May 2023, to 5.25%. The RBNZ subsequently lowered the OCR to 4.75% as from 9 October 2024, and to 4.25% as from 27 November 2024. The forecast is that the OCR will be lowered to 3% by the end of the 2025 calendar year, and the Bank Loan interest rate will reduce accordingly, although this is not guaranteed.</p> <p>650 GSR may seek to manage short-term interest rate risk by hedging interest rates for either part or the whole of the Bank Loan. However, no provision for hedging has been included in the prospective financial information.</p>

Risk	Priority / subordination risk
Description and potential magnitude of impact	<p>Pursuant to the Deed of Priority between the Issuer, 650 GSR, and the Bank that will be entered into if the Offer is successful, the Issuer will rank behind the Bank in respect of repayment. However, as long as there is no event of default under the Bank Loan that is continuing at the applicable time (other than an event of default that has been waived by the Bank), 650 GSR will be able to pay the Issuer interest payments of up to 9% per annum and expenses (provided the value of the expenses does not exceed \$40,000 per annum, or any other amount approved by the Bank from time to time).</p> <p>As a result, if 650 GSR is unable to comply with the above event of default condition, the Issuer will not receive any payments on the Issuer Loan, meaning it will be unable to pay dividends to Investors. In addition, on a sale of the Property, the Issuer would only receive repayment of the Issuer Loan after the Bank Loan has been fully repaid. In addition, as set out on pages 17 to 19, under the Deed of Priority, the Issuer agrees that it will not exercise any right of enforcement available to it or do anything to prevent the Bank exercising its rights, and agrees that the Bank will control any enforcement process, including any sale of the Property. This may result in a loss of some, or all, of the investment made by Investors.</p>
Assessment of likelihood and mitigation	<p>The Bank has waived the current ICR covenant breach while reserving the right to review, and has stated that it expects 650 GSR to be in compliance with the ICR covenant by 30 September 2025. The cashflow forecasts of 650 GSR have forecast quarterly interest payments, and Maat considers the likelihood of 650 GSR being unable to fund interest payments to be low to medium as is dependent on the success of finding tenants for the remaining vacancies in the long term.</p>

Risks relating to Tenancies

Risk	Risks relating to securing and retaining tenants
Description and potential magnitude of impact	<p>The Issuer's financial performance and the returns generated will be directly affected by any vacancy in the Property, current Tenants continuing to pay rent and operating expenses to 650 GSR and renewing their Leases, as these factors will impact 650 GSR's ability to make required payments to the Issuer under the Issuer Loan.</p> <p>As at the PDS Date, the Property has a vacancy rate of 41.17%. 650 GSR and Maat will need to find tenants for the remaining vacancies in the Property, which may involve fit-out contributions and rent-free periods, which are expected to be funded via the Further Funding.</p> <p>The agreement to lease with TRT includes an early termination right after 4 years exercisable by the Tenant. The notice to terminate the lease is required to be in writing 6 months before TRT vacates the premises.</p> <p>If Tenants do not exercise renewal rights or enter into new leases on the expiry of their Leases, or if any Tenant defaults on its financial obligations under its Lease, 650 GSR will be required to find new Tenants for the building. The resulting lack of rental income, cost of enforcement action and/or need to obtain a replacement tenant(s) (including any incentives offered to secure a tenant and real estate agents' fees) will reduce the funds available to be paid to the Issuer and may ultimately impact the valuation of the Property. The Valuation assumes that, on average, based on the location of the Property, it may take 6 months to find a new tenant.</p> <p>Leases to replacement tenants may also require inducements to be paid by 650 GSR (in the form of cash payments, rent free periods or contributions towards fit-out costs). Real estate agent's fees will also be payable if new tenants are required to be found, which are generally 2 months of the cost of the initial annual rent for a new tenant. It is also possible that if replacement tenants are required to be found, rent may be at a lower level than the rent payable under the Leases current at the PDS Date.</p> <p>The Valuation takes into account the short duration of the Leases and the obligations of 650 GSR to enter into replacement leases if required. If the Leases were of a longer duration the value of the Property would be higher.</p> <p>The property has a short WALT of 1.47 years. This is due to the current short-term expiries of the following Leases:</p> <ul style="list-style-type: none"> a) The Ministry of Health has not given any indication that it will renew for a further 2 year term from its current expiry of 14 December 2025. If it did not renew, the loss of rental income and operating expenses recovered would be \$395,264 and \$127,362 respectively. b) KTK has 3 Leases expiring on 31 July 2025. KTK is expected to renew, and bring these into line with its 4th Lease on Level 1 which expires on 31 August 2030. <p>The above circumstances could also cause 650 GSR to breach financial covenants in relation to the Bank Loan or the Issuer Loan (or cause 650 GSR to be further in breach, making it more difficult to regain compliance).</p>
Assessment of likelihood and mitigation	<p>Maat considers that the current risk related to the current Tenants not renewing their Leases is low, due to the strength of the Tenants. However, the risk of being unable to secure tenancies for the vacancies is low to medium. The insolvency risk for the Tenants is assessed to be very low and 650 GSR has confirmed that there has been no history of default in the payment of rent. Maat, on behalf of 650 GSR, actively manages the Property with a view to identifying any issues at an early stage. It is currently working with real estate agents to find tenants for the remaining vacancies.</p>

Risk	Rental income risk
Description and potential magnitude of impact	<p>General economic conditions and movements in the market will impact on the rental payable to 650 GSR following market reviews. There is no guarantee that the rent following any review will increase and there is no assurance that the rent following any review will not decrease, as none of the Leases with future market rent review provisions contain restrictions on the rent reducing if market rents fall. All current Leases include fixed annual rent reviews (at 2% or 2.50% per annum).</p> <p>In addition, the Leases contain provisions where the Tenant is entitled not to pay rent and/or cancel their Leases where they do not have access to their premises for between 6 and 9 months. This could be applicable in the case of a natural disaster (including an earthquake) or a pandemic.</p> <p>In the event that a seismic event (or other natural disaster) leaves the building inaccessible for a prolonged period, rent may abate and the Leases may be terminated.</p> <p>During the Covid-19 Alert Levels, rent abated to varying degrees and it is expected that this level of abatement would apply in similar circumstances. No provision has been made in the prospective financial information for rent abatements as a result of possible future effects of a future pandemic or a natural disaster.</p>
Assessment of likelihood and mitigation	<p>The risks of rent relief being required or Leases being cancelled due to a natural disaster such as a significant seismic event, or as a result of a pandemic, are considered low. The Property is insured in the event of a natural disaster or a seismic event and the applicable excess payable is 1% of the location sum insured.</p>

Risk	Capital expenditure risk
Description and potential magnitude of impact	<p>Capital expenditure on structural work, exterior repairs or capital improvements to the Property may arise or be required under the terms of the Leases. These expenses may not be recoverable from the Tenants.</p> <p>The Valuation has assumed capital expenditure in relation to repairs and remediation works on the Property will be \$4,715,771 spread over the next 10 years of ownership. \$4,200,000 relates to tenancy capital expenditure on lease expiries. There are three Leases (belonging to KTK and Ministry of Health) expiring in the next 4 years, but the forecasts assume that the Tenants will renew and there is very little capital expenditure required.</p> <p>Any capital expenditure incurred by 650 GSR will be funded from cash reserves held and/or debt financing for specific, large expenditure items.</p> <p>The forecast cash reserves on hand as at 31 March 2028 is \$1,255,392. No projections for future income have been made beyond the period to 31 March 2028, in accordance with standard accounting practice as future projections depend on assumptions which may not be valid that far into the future.</p> <p>There is a risk that capital expenditure may be higher than forecast, for the following reasons:</p> <ul style="list-style-type: none"> • If fewer Tenants than expected renew their leases, there may be a need to undertake more works than forecast for fitouts for new tenants. • Capital expenditure on upgrades, alterations or improvements may be required by statute from time to time, including for example, building code requirements relating to disabled access or means of escape from fire. <p>If capital expenditure is higher than forecast and there are insufficient reserves available to pay for the expenditure, 650 GSR may have to arrange further borrowing, which will increase its interest costs and could impact its ability to make required payments under the Issuer Loan.</p>
Assessment of likelihood and mitigation	<p>650 GSR has advised that it considers the risk of significant capital expenditure to be low to medium. Maat actively maintains the Property to a high standard and is in regular contact with the Tenants regarding maintenance issues in their tenancies.</p>

Other risks

Risk	Lack of diversification
Description and potential magnitude of impact	<p>If the Offer is successful, the Issuer will hold only one asset, being the Issuer Loan to 650 GSR, which itself holds only one asset (the Property). There is no diversified portfolio of assets and no ability to spread risks across a number of investments or a number of different property types. Accordingly, the Issuer Loan is expected to be the Issuer's sole asset and the ability of the Issuer to pay the dividends and return capital to Shareholders is entirely dependent on the current and future financial performance of 650 GSR.</p> <p>Accordingly, any issues impacting on the value of the Property will significantly impact 650 GSR's ability to repay the Issuer Loan, and will therefore impact the Issuer's financial position and/or financial performance. The Issuer Loan agreement between the Issuer and 650 GSR will require 650 GSR to hold insurance for replacement of the building and in respect of lost rents from the Property (for a 12-month period) in the event of damage or destruction of the Property (and, as at the PDS Date, 650 GSR holds insurance in respect of replacement of the building and in respect of lost rents from the Property for a 24-month period). If the Property is damaged or destroyed by an insured event, 650 GSR will be required to meet the cost of any insurance excess (which is expected to be 1% of the replacement value, which is to be determined by an insurance valuation).</p> <p>If any damage or destruction was not covered by the insurance policies that 650 GSR is required to arrange for the Property, or if 650 GSR fails to comply with its obligation and does not arrange appropriate insurance in respect of the Property, any destruction of the Property will impact adversely on the value and income from the Property.</p> <p>The Property may be an illiquid asset and no promise or guarantee is made regarding the ability of 650 GSR to sell the Property for fair value, particularly if the Bank takes enforcement action and the Property is sold at mortgagee sale, nor the timeframe within which the Property may be sold. The proceeds from sale of the Property would first go to repaying the amount of the Bank Loan (including the interest costs, default rate interest (if charged)) and the costs of sale, before any payments are made to the Issuer. If the sale proceeds were insufficient to fully repay the amount of the Bank Loan, the Issuer would not receive any funds and you would be unable to recoup any part of your investment in Shares.</p>
Assessment of likelihood and mitigation	Given the quality of the Tenants and the building, and Maat's management of the Property, the Issuer considers the risks associated with a lack of diversification in this investment to be low.

Risk	Key person risks
Description and potential magnitude of impact	<p>The Directors of the Issuer are also the only directors of each of Maat and 650 GSR, and all three companies are dependent on the same key personnel to operate their businesses and discharge their contractual and legal obligations. The loss of key personnel has the potential to adversely affect each company's ability to do so, and therefore negatively impact returns to investors. In addition, because the same individuals are the directors of all three companies, there is a risk that they could act in a way that benefits one of those companies at the expense of one or more of the others where interests conflict.</p>
Assessment of likelihood and mitigation	<p>The Issuer, Maat, and 650 GSR have mitigated these risks where possible through an experienced team who have worked together for a number of years and operate in an open and collaborative environment, and by managing conflicts through the application of the policy described on page 10.</p>

Risk	Risks relating to subsequent capital raise
Description and potential magnitude of impact	<p>The prospective financial information in this PDS assumes that during the third quarter of 2025 the Issuer will undertake the Further Funding, which would be a further equity capital raise and loan of the proceeds to 650 GSR to secure new tenants for the current vacancies of 1,271 m² on Level 2 and 1,022 m² on the ground floor of the Property.</p> <p>Although the exact terms of the Further Funding would be determined at the time, it is currently expected that the Issuer would issue further B Shares and that the corresponding loan to 650 GSR would be on equivalent terms to the Issuer Loan, including with respect to interest rate.</p> <p>A Shareholder would need to invest in the Further Funding to maintain that Shareholder's proportionate holding of the Issuer's shares and avoid being diluted. If the Further Funding constituted a 'major transaction' under the Companies Act (which is currently expected to be the case), it will only be able to proceed if approved by Shareholders by Special Resolution. In addition, it is possible that changes to the interest rate environment could mean that 650 GSR is not willing to agree to the same interest rate on that subsequent loan, reducing returns to Shareholders below the forecast levels.</p>
Assessment of likelihood and mitigation	<p>Any further issue of B Shares would first be made to Shareholders in proportion to their respective Shareholdings before being offered more broadly, meaning Shareholders would be able to maintain their respective proportionate holdings of the Issuer's shares by investing in that offer. The Issuer also believes that, due to the existence of the Bank Loan and likely lack of alternative funding available to 650 GSR, 650 GSR will be likely to agree to the subsequent loan being on the same terms, including with respect to interest rate. This risk circumstance is also linked to the individual circumstances of the Shareholder.</p>

Risk	Solvency risk
Description and potential magnitude of impact	<p>There is a risk that 650 GSR may be unable to continue trading as a going concern even if the full amount sought is raised under this Offer and the proceeds loaned to 650 GSR, including if it is unsuccessful in filling vacant tenancies, obtaining financing from the Issuer to secure new tenants for the current vacancies of 1,271 m² on Level 2 and 1,022 m² on the ground floor of the Property and/or rent-free periods for new tenancies and/or refinancing the Bank Loan, as outlined above. If this is the case, then the Property will need to be sold.</p> <p>A forced sale would result in a lower sale price which, after repayment of the Bank Loan (including interest) and costs, may result in a loss of some or all of the investment made by Investors in the Issuer.</p>
Assessment of likelihood and mitigation	<p>Maat continues to work with major real estate companies to identify prospective tenants. It is forecast that 2 additional tenants will be in place by the third quarter of the 2025 calendar year which will reduce the vacancy level to 13.65%, and that the Issuer will raise and loan the proceeds of the Further Funding. In addition, as a secured creditor, the Issuer will rank ahead of shareholders in 650 GSR (although behind the Bank and other creditors of 650 GSR preferred by law) with respect to any proceeds of sale of the Property.</p>

Risk	Lack of liquidity
Description and potential magnitude of impact	<p>There is no market for the Shares and a Shareholder may not be able to sell their Shares, or only sell for a lower price than they think the Shares are worth. Shares in a company whose sole purpose is to lend funds to another company on a subordinated / second-ranking basis (in this instance 650 GSR) which itself has only a single asset (here a commercial property) may not be an attractive investment because of lack of diversity of assets. Maat will, however, use its best efforts to market the Shares both to other Shareholders and more generally, if requested to do so.</p> <p>Where a number of Shareholders elect to sell their Shares, they will be competing for potential buyers. An over-supply of Shares available for sale could result in a decrease in the market price for Shares.</p> <p>Overall, the price at which Shares are able to be sold may be lower than the amount the Shareholder paid to subscribe for the Shares.</p> <p>If Shareholders cannot sell their Shares, the only way in which they can get their investment back is by 650 GSR repaying the Issuer Loan in accordance with its terms, or by the Issuer selling the Issuer Loan to another party (which may not be possible).</p> <p>No promise or guarantee is made regarding the ability of 650 GSR to repay the Issuer Loan or of the Issuer to sell the Issuer Loan. In a situation where a sale was forced, due to the occurrence of the risks described above or otherwise, the Issuer Loan would only be repaid after repayment of the Bank Loan (including interest) and costs, which may result in a loss of some or all of the investment made by Investors in the Issuer.</p> <p>The Issuer has no obligation to repurchase the Shares. You will only realise your investment in the Shares by selling the Shares or on the distribution of surplus assets on the liquidation of the Issuer. No assurance is given that any assets will be available for distribution on liquidation of the Issuer.</p>
Assessment of likelihood and mitigation	<p>If a Shareholder's investment horizons match those of the Issuer Loan and 650 GSR is able to fulfil its obligations under the Issuer Loan, the impact of lack of liquidity for the sale of Shares is unlikely to be significant. However, if a Shareholder needed to sell in a period of illiquidity, this may result in a loss in value for that Shareholder. This risk circumstance is also linked to the individual circumstances of the Shareholder.</p>

9 Tax

New Zealand Taxation

Tax can have significant consequences for investments, and can affect your returns from this investment. If you have any queries relating to the tax consequences of this investment, you should seek independent professional tax advice on those consequences.

The Issuer intends to register (but does not guarantee that it will register) as a PIE and a multi-rate PIE as defined in the Income Tax Act 2007. If the Issuer registers as a PIE, the Issuer itself will not be subject to tax. Instead, the Issuer will attribute income to each Shareholder and, where applicable, deduct tax at the individual Shareholder's PIR before it is paid to the Shareholder. The Issuer will pay the tax deducted to Inland Revenue. Further information about:

- What you need to tell us about your PIR and IRD number;
- How the Issuer will account for tax on your investment; and
- The potential taxation of distributions outside the PIE regime,

is contained on the Offer Register at www.disclose-register.companiesoffice.govt.nz (Offer ref: OFR13862) in the document titled "Taxation: What you Need to Know".

10 Where you can find more information

Disclose Register

Further information relating to the Issuer, the Property and the Shares is available on the Offer Register (for example, the Valuation, the Constitution, documents relating to the Bank Loan and Issuer Loan, and prospective financial information). A copy of information on the Offer Register is available on request to the Registrar of Financial Service Providers. The Offer Register can be accessed free of charge at www.disclose-register.companiesoffice.govt.nz (Offer ref: OFR13862).

The information and documents provided on the Issuer's entry on the Offer Register for this Offer, www.disclose-register.companiesoffice.govt.nz (Offer ref: OFR13862), includes material provided by third parties. To the maximum extent permitted by law, the Issuer does not accept any responsibility or make any warranties in respect of any statements or information provided by third parties. Investors should read information and documents provided by third parties such as the Valuer and make their own assessment as to its validity and reliability.

Copies of information on the Offer Register are available on request and free of charge by contacting the Issuer at 181 No. 3 Line, Whanganui or info@maat.co.nz.

Companies Register

Further information about the Issuer can also be found on the Companies Register at companies-register.companiesoffice.govt.nz. The Issuer's company number is 9268924.

11 How to apply

An existing 650 GSR Shareholder may apply to subscribe for Shares by:

- completing the Application Form attached to this PDS; and
- transferring the full subscription amount electronically to the trust account of the Issuer's solicitors (banking details are provided in the Application Form).

The minimum investment is one Share Parcel of 10,000 Shares, unless the Issuer agrees otherwise in its sole discretion.

No Applications will be accepted unless you have completed the Application Form attached to this PDS. If valid Applications for more than 1,200,000 Shares are received, unless the Board elects otherwise in its sole discretion, it intends to accept Applications in the order received.

Please scan and email your completed and signed Application Form, together with all supporting identity verification documents as set out in the Application Form, to info@maat.co.nz. The original Application Form must then be sent to Maat at the address shown above.

All funds received from Applications for Shares in the Issuer are to be held on escrow in the trust account of Dentons Kensington Swan. Funds will be held in the Dentons Kensington Swan trust account until all conditions relating to the receipt of subscriptions are satisfied and all of the Shares are allotted and issued. You will not be paid interest on your Application money while it is held in escrow by Dentons Kensington Swan.

In the event that the capital required by this Offer is not raised by the Offer closing date specified in Section 4 "*Key dates and offer process*" (or a later date specified by the Issuer as described in that section), unless you agree otherwise in writing, your Application money will be promptly returned in full (without interest).

12 Contact information

Party	Contact details
Issuer	Property Improvements Limited 181 No. 3 Line Whanganui East Whanganui 4500 P O Box 301848 Albany Auckland 0752 Telephone: +64 9 414 6078 Email: info@maat.co.nz ; ntuffin@maat.co.nz
Legal advisers to the Issuer	Dentons Kensington Swan 18 Viaduct Harbour Avenue Auckland 1010 Private Bag 92101 Auckland 1142 DX CP22001 Telephone: +64 9 379 4196 www.dentons.co.nz
Valuer	Jones Lang LaSalle Limited PricewaterhouseCoopers Tower Level 16, 188 Quay Street P O Box 165 Auckland 1140 Telephone: +64 9 366 1666
Securities Registrar	Maat Consulting Limited 181 No. 3 Line Whanganui East Whanganui 4500 P O Box 301848 Albany Auckland 0752 Telephone: +64 9 414 6078 Email: info@maat.co.nz ; ntuffin@maat.co.nz

GLOSSARY

Unless the context requires otherwise, in this PDS:

20% Limitation means the limitation on overall holdings of B Shares described on page 2.

650 GSR means 650 Great South Road Limited.

650 GSR Shareholders means shareholders of 650 GSR.

A Share means a share in the Issuer which confers voting rights on the holder, but no rights to dividends or distributions from the Issuer, as described in Section 6 "*Key features of the Shares*".

Administration Deed means the administration deed entered into between the Issuer and Maat in respect of the Issuer Loan and the Offer on or about the PDS Date.

Applicant means a person or other entity who makes an Application.

Application means an application for Shares in the form attached to this PDS.

Application Form means the form to apply for Shares attached to this PDS.

Attributed PIE Income means the amount of income attributed to you by all PIEs (including the Issuer) in an income year.

B Share means a share in the Issuer which confers voting rights on the holder and the right to receive dividends and distributions from the Issuer, if paid, as described in Section 6 "*Key features of the Shares*".

Bank means ASB Bank Limited.

Bank Loan means the existing loan granted by the Bank to 650 GSR, as further described in Section 2 "*The Issuer and what it does*".

Board means the Issuer's board of directors.

Companies Act means the Companies Act 1993.

Constitution means the constitution of the Issuer.

CPI means the annual movement in the Consumer Price (All Groups) Index.

Deed of Priority means the deed of priority and subordination that will be entered into by 650 GSR, the Issuer and the Bank upon successful completion of this Offer, as further described on pages 17 to 19.

Director means a director of the Issuer.

FMA means the Financial Markets Authority.

FMC Act means the Financial Markets Conduct Act 2013.

FMC Regulations means the Financial Markets Conduct Regulations 2014.

Further Funding means the anticipated issue of B Shares to raise a further \$780,000 and the loan of that amount to 650 GSR on equivalent terms to the Issuer Loan, for 650 GSR to apply to securing new tenants for the current vacancies of 1,271 m² on Level 2, and 1,022 m² on the ground floor, of the Property. The Further Funding is expected to occur during July/August 2025.

GAAP means generally accepted accounting practice in New Zealand.

ICR means interest coverage ratio.

Investor means the holder, from time to time, of Shares in the Issuer.

Issuer means Property Improvements Limited.

Issuer Loan means the loan proposed to be advanced by the Issuer to 650 GSR if the Offer is successful, as further described in Section 2 "*The Issuer and what it does*".

KTK means Kāhui Tū Kaha Limited.

Leases means the leases of parts of the Property by 650 GSR to the Tenants.

LVR means loan-to-value ratio.

Maat means Maat Consulting Limited.

NZ IFRS means New Zealand Equivalent to International Financial Reporting Standards.

Offer means the offer of Shares contained in this PDS.

Offer Register means the online register of offers of financial products under the FMC Act, available at www.disclose-register.companiesoffice.govt.nz.

Ordinary Resolution means a resolution that is approved by a simple majority of the votes of those shareholders entitled to vote and voting on the question.

PDS means this product disclosure statement issued by the Issuer under the FMC Act and the FMC Regulations.

PDS Date means the date of this PDS, being 28 November 2024, and statements using the term **currently** or similar words are made as at the PDS Date.

PIE means a portfolio investment entity, as that term is defined in the Income Tax Act 2007.

PIR means the prescribed investor rate, which is the tax rate applicable to Attributed PIE income and is the rate that the Issuer will use to calculate and pay tax on a shareholder's proportion of the Issuer's taxable income.

Property means the property owned by 650 GSR and situated at 650 Great South Road, Penrose, Auckland, as is more particularly described as Lot 2 Deposited Plan 176485 and comprised in identifier NA108C/559.

Refurbishments means the fit-out and refurbishments required by KTK and TRT as a condition of their Leases.

Share Parcel means a parcel of 10,000 Shares.

Shares means the B Shares in the Issuer offered for subscription under this PDS.

Shareholders means the holders of B Shares in the Issuer.

Special Resolution means a resolution of shareholders approved by a majority of 75% of the votes of those shareholders entitled to vote and voting on the question, or a written resolution passed in accordance with the Constitution.

Tenants means 650 GSR's tenants from time to time, including, as at the PDS Date, those listed in the tenancy schedule contained in the general summary of Leases in Section 2 *"The Issuer and what it does"*.

TRT means Te Roopu Taurima O Manukau Trust.

Valuation means the valuation for the Property prepared by the Valuer dated 31 July 2024. A copy of the full Valuation report can be found on the Offer Register at www.disclose-register.companiesoffice.govt.nz (Offer ref: OFR13862) under "Other Material Information".

Valuer means Jones Lang LaSalle Limited.

WALT means Weighted Average Lease Term.

Working Day has the meaning given to that term in the Companies Act.

Property Improvements Limited (Issuer)
Application Form – Individuals and Joint Investors

1 Investor Information	
Investor 1 (principal account holder)	Investor 2 (if applicable)
Title: <input type="checkbox"/> Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Ms <input type="checkbox"/> Miss <input type="checkbox"/> ____ (other)	Title: <input type="checkbox"/> Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Ms <input type="checkbox"/> Miss <input type="checkbox"/> ____ (other)
First name(s):	First name(s):
Surname:	Surname:
Occupation:	Occupation:
Date of birth: / /	Date of birth: / /
Home address: Postcode:	Home address: Postcode:
Postal address (if different from your home address): Postcode:	Postal address (if different from your home address): Postcode:
Home phone:	Home phone:
Mobile phone:	Mobile phone:
Email:	Email:
Country of birth:	Country of birth:
Citizenship:	Citizenship:
IRD number:	IRD number:

2 Confirming Your Status as a 650 GSR Shareholder and tax information	
<input type="checkbox"/> Please tick to confirm you are an existing shareholder of 650 Great South Road Limited.	
<i>The taxpayer for joint Investors is the Investor with the highest prescribed investor rate.</i>	
Is the taxpayer a New Zealand resident for tax purposes? <input type="checkbox"/> Yes <input type="checkbox"/> No	<i>If no, state the taxpayer's country of residence for tax purposes.</i>
Taxpayer's prescribed investor rate: <input type="checkbox"/> 10.5% <input type="checkbox"/> 17.5% <input type="checkbox"/> 28%	<i>If a prescribed investor rate is not selected, or no IRD number is provided in the 'Investor Information' section, 28% will apply.</i>

3 Your Investment	
Amount you are investing (must be a multiple of \$10,000)	\$
What is the purpose of your investment? <input type="checkbox"/> Accumulation of Wealth <input type="checkbox"/> Retirement <input type="checkbox"/> Other — please specify:	What is the source of funds? <input type="checkbox"/> Salary <input type="checkbox"/> Other — please specify:

4 Confirming Your Identity and Address
<p>To comply with anti-money laundering laws, we need to verify your identity and your address.</p> <p>If you are a shareholder of Cashel Property Investment Limited and have had your identity and address verified on or after 27 September 2024, you will not need to go through the full identity verification process again (although, in limited circumstances, we may need certain further documentation from you – we will let you know if this applies).</p> <p>Otherwise, identity and address verification can be completed either via the First AML platform, or with certified physical copies of documents.</p> <p>Please read the below and tick the option that applies:</p> <p><input type="checkbox"/> Option 1: I/We have been through the full identity verification process in connection with Cashel Property Investment Limited on or after 27 September 2024</p> <p><input type="checkbox"/> Option 2: I/We choose and consent to verification via the First AML platform, as outlined below, and I would like to receive the link via:</p> <p style="margin-left: 40px;"> <input type="checkbox"/> Email <input type="checkbox"/> SMS text </p> <p><input type="checkbox"/> Option 3: I/We choose and consent to verification through certified physical copies</p> <p><u>If you have ticked Option 1 or Option 2, you do not need to provide any of the documents referred to under 'Option 3: Verification through certified physical copies' below.</u></p> <p>Option 1: Already supplied identity and address documentation</p> <p>We will let you know if anything further is required with respect to identity and address verification.</p> <p>Option 2: Verification via First AML platform</p> <p>The First AML identification verification platform with biometrics captures the information via phone or PC camera rather than the individual having to take their physical documents to be certified by an approved certifier.</p> <p>First AML will send a link via email and/or SMS text. The applicant will then click on the link and take a photo of themselves and the required identification documentation (being a NZ/Australia passport or driver licence, and some national identity cards) for uploading.</p> <p>Please note First AML does not have access to the government source verification permissions of every country. Where a country lies outside First AML's permissions, we will require a physical certified copy of the individual's identity document and proof of address. We will be in contact regarding those requirements if required.</p> <p>Option 3: Verification through certified physical copies</p> <p>Please tick to identify the certified documents you will provide to fulfil the requirements of Identification Option 1 or Identification Option 2 or (only with prior written approval) Identification Option 3. In addition to the Identification Option, the Address Verification Requirement must be provided.</p> <p>Please note certification of documents must be by a "trusted referee". See the description of who is a trusted referee below.</p>

<p>Identification Option 1</p> <p>Certified copy of one of:</p> <ul style="list-style-type: none"> <input type="checkbox"/> NZ passport <input type="checkbox"/> overseas passport <input type="checkbox"/> foreign-issued national identity document 	<p>Identification Option 2</p> <p>Certified copies of:</p> <ul style="list-style-type: none"> <input type="checkbox"/> your NZ driver licence <p>and one of:</p> <ul style="list-style-type: none"> <input type="checkbox"/> a credit card, debit or EFTPOS card issued by a registered NZ bank (name and signature must be on the card) <input type="checkbox"/> a bank account statement issued by a registered NZ bank addressed to you from the last 12 months <input type="checkbox"/> a document issued by a NZ government agency containing your name and signature (e.g. a Super Gold card) <input type="checkbox"/> an IRD statement or other NZ government agency statement addressed to you from the last 12 months 	<p>Identification Option 3</p> <p>Certified copies of one of the following forms of photo ID:</p> <ul style="list-style-type: none"> <input type="checkbox"/> NZ driver licence <input type="checkbox"/> a valid international driving permit <p>and one of:</p> <ul style="list-style-type: none"> <input type="checkbox"/> NZ full birth certificate <input type="checkbox"/> citizenship certificate issued by a foreign government <input type="checkbox"/> birth certificate issued by a foreign government
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Address Verification Requirement

In addition to the above, you must supply a certified copy of **one** form of address verification documentation from the following list which cannot be more than 3 months old:

- ☐ utility bill
- ☐ IRD tax assessment notice (New Zealand)
- ☐ credit card/bank statements from an active account
- ☐ government valuation of Property (evidencing ownership)
- ☐ letter from a New Zealand employer on the employer's letterhead (subject to separate verification process)
- ☐ tenancy Agreement for a New Zealand address

Who is a Trusted Referee?

When supplying certified identification documents, the trusted referee must be at least 16 years of age and one of the following:

- a Commonwealth Representative (as defined in the Oaths and Declarations Act 1957)
- an employee of the Police who holds the office of constable
- a justice of the peace
- a registered medical doctor
- Kaumātua
- a registered teacher
- a minister of religion
- a lawyer
- a notary public
- New Zealand Honorary Consul
- a Member of Parliament
- a Chartered Accountant
- a Registered Legal Executive (Fellow status)

In addition, the trusted referee must not be:

- related to the Investor; for example, a trusted referee cannot be a parent, child, brother, sister, aunt, uncle or cousin of the Investor
- the spouse or partner of the Investor
- a person who lives at the same address as the Investor

The trusted referee must sight the original documentation, and make the following statement on the copy:

For identification with a photo:

I certify this to be a true copy and likeness of the original document which I have sighted and represents a true likeness of the named individual in the document.

For address or identification without a photo:

I certify this to be a true copy and likeness of the original document which I have sighted.

The certification by the trusted referee must include the full name, occupation and signature of the trusted referee and the date of

certification. Certification must have been carried out in the three months preceding the presentation of the copied document.

5 Distribution Instructions

By Direct Credit to NZ Bank Account

Bank account number:

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Name of account:

Branch:

6 Your Acknowledgements and Agreements

Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (AML/CFT Act)

You must not knowingly do anything to put the Issuer or Maat Consulting Limited (**Maat**) (collectively **us**) or Dentons Kensington Swan in breach of the AML/CFT Act (including any regulations, guidance and/or codes of practice issued under that Act).

You agree to provide all additional information and assistance requested by us or Dentons Kensington Swan and to comply with all reasonable requests from us or Dentons Kensington Swan to facilitate our compliance with the AML/CFT Act, and consent to your identity and address being verified in accordance with your choice in section 4 above.

You represent and warrant that you are not aware and have no reason to suspect that:

- the money used to fund any investment by you is derived from or related to any criminal or other illegal activities, money laundering, terrorism financing or similar activities (**Illegal Activities**);
- the proceeds of any investment will fund any Illegal Activities; and
- any investment will cause us or Dentons Kensington Swan to breach any obligations under the Russia Sanctions Act 2022.

You agree that neither the Issuer nor Maat is liable for any losses incurred as a result of any action we take which either delays your investment or results in an application for Shares being declined, when these actions are necessary for us to comply with our obligations under the AML/CFT Act, including the obligations of Dentons Kensington Swan.

In addition to the privacy policy below, you authorise us to share with Dentons Kensington Swan, and authorise Dentons Kensington Swan to share with us and Maat, all anti-money laundering information and documents you supply, and authorise and consent to Dentons Kensington Swan verifying such information with its third party verifiers of due diligence information.

Privacy Act 2020

This statement relates to personal information that you are providing to us by way of this Application and any subsequent personal information which you may provide in the future. The personal information you have supplied may be used by us (and our related entities) for the purposes of enabling us to arrange and manage your investment, and to contact you in relation to your investment.

You authorise us to disclose your personal information to any third parties as needed to perform services on your behalf; to regulatory bodies or law enforcement agencies as required by law; to meet our legal or regulatory obligations; and to any party proposing to acquire an interest in us. We will provide you (on request) with the name and address of any entity to which information has been disclosed.

You have the right to access all personal information held about you by us. If any of the information is incorrect, you have the right to have it corrected. You acknowledge that you are authorised to provide this personal information. You agree that your name and address may be used by us to provide you with newsletters and other information about Issuer and other products and services.

Power of Attorney

If you are signing for the Investor under a power of attorney you have also attached:

- a certified copy of the power of attorney together with a certificate of non-revocation; and
- identification of you and the attorney as described above.

Email use

You consent to receiving financial statements, and other documents which we are required or permitted to send to you, electronically at the email address on this form, or any other email address advised to us from time to time.

7 Disclosures		
Are you a, or are you immediately related to any, senior member of NZ or foreign government, the judiciary, the military or an ambassador?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are you a citizen or permanent resident of the United States?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

8 Declaration	
<p>I have received, read and retained a copy of the product disclosure statement for the offer of B Shares in the Issuer dated 28 November 2024 (PDS) and agree to be bound by the terms and conditions of the PDS (including, to the maximum extent permitted by law, any replacement or supplement of it), this Application Form, and the Administration Deed and Constitution (as defined in the PDS). I agree to the terms outlined above in relation to the Privacy Act, the supply of personal information, email use and AML/CFT. I understand that the Issuer is primarily intended as a vehicle for long-term investment and the value of my investment is liable to fluctuations and may rise and fall from time to time. I understand the manner in which fees will be deducted from my investment. To the extent required by law, I also agree to, consent to, and approve, for all purposes of the Constitution and the Companies Act 1993, the Issuer entering into the Issuer Loan agreement, Deed of Priority (each as defined in the PDS), and all other documents required to give effect to the Issuer Loan and the related security and priority arrangements described in the PDS.</p> <p>I understand that investment in the Issuer is subject to investment risk, including possible delays in repayment and loss of income or principal invested. I understand that none of the Issuer, Maat, or any other person, guarantees the performance of the Issuer or the repayment of capital by the Issuer or any particular rate of return.</p>	
Signature of Investor 1 (principal account holder): Date: / /	Signature of Investor 2 (if applicable): Date: / /

Payment Method
<p>Banks are no longer accepting cheques for deposits. Therefore the purchase of B Shares in the Issuer must be via bank transfer.</p> <p>Application money must be deposited into:</p> <p> Name of account: Dentons Kensington Swan Trust Account Name of bank: ANZ Bank New Zealand Limited Account name: Dentons Kensington Swan Trust Account Address: 205 Queen Street, Auckland, New Zealand Bank account number: 01-0102-0105110-000 (Swift code: ANZBNZ22) Client reference: PIL982-2001 Client particulars: (your name) </p> <p>The Application Form must be scanned and emailed to info@maat.co.nz</p> <p>The original Application Form and supporting identity verification documents must then be sent to Maat Group, PO Box 301848, Albany Auckland 0752.</p>

Property Improvements Limited (Issuer)
Application Form — Companies, Trusts, Partnerships and Estates

1 Investor Information
Company, Trust, Partnership or Estate name:
Company registration number:
Registered address:
Postal address (if different from registered address):
Contact phone:
Email:

2 Tax Information
Investor's IRD number:
<div style="display: flex; justify-content: space-between;"> <div> Is the Investor a New Zealand resident for tax purposes? <input type="checkbox"/> Yes <input type="checkbox"/> No </div> <div style="text-align: right;"> <i>If no, state the Investor's country of residence for tax purposes.</i> </div> </div>
<div style="display: flex; justify-content: space-between;"> <div> Prescribed investor rate: <input type="checkbox"/> 0% <input type="checkbox"/> 10.5% <input type="checkbox"/> 17.5% <input type="checkbox"/> 28% </div> <div style="text-align: right;"> <i>If a prescribed investor rate is not selected, or no IRD number is provided, 28% will apply.</i> </div> </div>

3 Your Investment	
Amount Investor is investing (must be a multiple of \$10,000)	\$
What is the purpose of the Investor's investment? <input type="checkbox"/> Accumulation of Wealth <input type="checkbox"/> Retirement <input type="checkbox"/> Unchanged from initial application for shares in 650 Great South Road Limited <input type="checkbox"/> Other — please specify:	What is the source of funds? <input type="checkbox"/> Salary <input type="checkbox"/> Other — please specify:

4 Confirming the Identity and Address of Relevant Persons
<p>To comply with anti-money laundering rules we need to verify the identity of various people associated with the Investor. In the case of companies, we must verify the identity of people having more than 25% ultimate beneficial ownership (which could be the immediate shareholder or shareholder through holding companies) and people acting on behalf of the company (usually the directors). In the case of ordinary partnerships, we must verify the identity of the partners and anyone authorised to act on behalf of the partnership. In the case of limited partnerships, we must verify the identity of people having more than 25% ultimate beneficial ownership (which could be the immediate limited partner or an ultimate owner through a limited partner and other holding entities) and people acting on behalf of the company (usually the general partner or directors of the general partner where the general partner is a company). In the case of trusts, we must identify persons acting on behalf of the trust (usually the</p>

trustees), and settlors or protectors, and also any settled beneficiaries. **Each of these people described above is a “Relevant Person”**. If a trust has a range of beneficiaries it is necessary to describe that range (for example “relatives of the settlor”). Where the Investor is a type of entity not stated above, we will let you know who the Relevant Person(s) is/are.

If a Relevant Person has had their identity and address verified in connection with Cashel Property Investment Limited or after 27 September 2024, that Relevant Person will not need to go through the full identity verification process again (although, in limited circumstances, we may need certain further documentation from them – we will let you know if this applies).

Otherwise, identity and address verification can be completed either via the First AML platform, or with certified physical copies of documents.

Please read the below and tick the option that applies:

- ☐ **Option 1:** Each Relevant Person has been through the full identity verification process in connection with Cashel Property Investment Limited on or after 27 September 2024
- ☐ **Option 2:** Each Relevant Person chooses and consents to verification via the First AML platform, as outlined below, and would like to receive the link via:
 - ☐ Email
 - ☐ SMS text
- ☐ **Option 3:** Each Relevant Person chooses and consents to verification through certified physical copies

If you would like to select different Options for different Relevant Persons, please confirm this to us separately. If Option 1 and/or Option 2 applies to all Relevant Persons, you do not need to provide any of the documents referred to under 'Option 3: Verification through certified physical copies' below.

Option 1: Already supplied identity and address documentation

We will let you know if anything further is required with respect to identity and address verification.

Option 2: Verification via First AML platform

The First AML identification verification platform with biometrics captures the information via phone or PC camera rather than the individual having to take their physical documents to be certified by an approved certifier.

First AML will send a link via email and/or SMS text. The Relevant Person will then click on the link and take a photo of themselves and the required identification documentation (being a NZ/Australia passport or driver licence, and some national identity cards) for uploading.

Please note First AML does not have access to the government source verification permissions of every country. Where a country lies outside First AML's permissions, we will require a physical certified copy of the individual's identity document and proof of address. We will be in contact regarding those requirements if required.

Option 3: Verification through certified physical copies

Each Relevant Person must complete the information over the page and provide certified copies of documents to fulfil the requirements of *either* Identification Option 1 *or* Identification Option 2 *or* Identification Option 3 **and** in each case the Address Verification Requirement.

Please note certification of documents must be by a “trusted referee”. See the description of who is a trusted referee below.

If necessary, please attach additional copies of this page to describe all Relevant Persons.

Relevant Person 1	Relevant Person 2
Title: <input type="checkbox"/> Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Ms <input type="checkbox"/> Miss <input type="checkbox"/> ____ (other)	Title: <input type="checkbox"/> Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Ms <input type="checkbox"/> Miss <input type="checkbox"/> ____ (other)
First name(s):	First name(s):
Surname:	Surname:
Occupation:	Occupation:
Date of birth: / /	Date of birth: / /
Home address:	Home address:
Postcode:	Postcode:
Postal address (if different from your home address):	Postal address (if different from your home address):
Postcode:	Postcode:
Home phone:	Home phone:
Mobile phone:	Mobile phone:
Email:	Email:
Country of birth:	Country of birth:
Citizenship:	Citizenship:
IRD Number	IRD Number
Relationship to Investor:	Relationship to Investor:
Relevant Person 3	Relevant Person 4
Title: <input type="checkbox"/> Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Ms <input type="checkbox"/> Miss <input type="checkbox"/> ____ (other)	Title: <input type="checkbox"/> Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Ms <input type="checkbox"/> Miss <input type="checkbox"/> ____ (other)
First name(s):	First name(s):
Surname:	Surname:
Occupation:	Occupation:
Date of birth: / /	Date of birth: / /
Home address:	Home address:
Postcode:	Postcode:
Postal address (if different from your home address):	Postal address (if different from your home address):
Postcode:	Postcode:
Home phone:	Home phone:
Mobile phone:	Mobile phone:
Email:	Email:
Country of birth:	Country of birth:
Citizenship:	Citizenship:
IRD Number	IRD Number
Relationship to Investor:	Relationship to Investor:

Description of range of beneficiaries for trusts (if applicable):

Existing shareholder of 650 Great South Road Limited? ☐ (tick)

Identification Option 1	Identification Option 2	Identification Option 3
<p>Certified copy of one of:</p> <ul style="list-style-type: none"><input type="checkbox"/> NZ passport<input type="checkbox"/> overseas passport<input type="checkbox"/> foreign-issued national identity document	<p>Certified copies of:</p> <ul style="list-style-type: none"><input type="checkbox"/> a NZ driver licence <p>and one of:</p> <ul style="list-style-type: none"><input type="checkbox"/> a credit card, debit or EFTPOS card issued by a registered NZ bank (name and signature must be on the card)<input type="checkbox"/> a bank account statement issued by a registered NZ bank addressed to the Relevant Person from the last 12 months<input type="checkbox"/> a document issued by a NZ government agency containing the Relevant Person's name and signature (e.g. a SuperGold card)<input type="checkbox"/> an IRD statement or other NZ government agency statement addressed to the Relevant Person from the last 12 months	<p>Certified copies of one of the following forms of photo ID:</p> <ul style="list-style-type: none"><input type="checkbox"/> NZ driver licence<input type="checkbox"/> a valid international driving permit <p>and one of:</p> <ul style="list-style-type: none"><input type="checkbox"/> NZ full birth certificate<input type="checkbox"/> citizenship certificate issued by a foreign government<input type="checkbox"/> birth certificate issued by a foreign government

Address Verification Requirement

In addition to the above, each Relevant Person must supply a certified copy of **one** form of address verification documentation from the following list which cannot be more than 3 months old:

- ☐ utility bill
- ☐ IRD tax assessment notice (New Zealand)
- ☐ credit card/bank statements from an active account
- ☐ government valuation of Property (evidencing ownership)
- ☐ letter from a New Zealand employer on the employer's letterhead (subject to separate verification process)
- ☐ tenancy Agreement for a New Zealand address

Who is a Trusted Referee?

When supplying certified identification documents, the trusted referee must be at least 16 years of age and one of the following:

- ☐ Commonwealth Representative (as defined in the Oaths and Declarations Act 1957)
- ☐ an employee of the Police who holds the office of constable
- ☐ a justice of the peace
- ☐ a registered medical doctor
- ☐ Kaumātua
- ☐ a registered teacher
- ☐ a minister of religion
- ☐ a lawyer
- ☐ a notary public
- ☐ New Zealand Honorary Consul
- ☐ a Member of Parliament
- ☐ a Chartered Accountant
- ☐ a Registered Legal Executive (Fellow status)

In addition, the trusted referee must not be:

- ☐ related to the Relevant Person; for example, a trusted referee cannot be a parent, child, brother, sister, aunt, uncle or cousin of the Relevant Person
- ☐ the spouse or partner of the Relevant Person
- ☐ a person who lives at the same address as the Relevant Person

The trusted referee must sight the original documentation and make the following statement on the copy:

For identification with a photo:

I certify this to be a true copy and likeness of the original document which I have sighted and represents a true likeness of the named individual in the document.

For address or identification without a photo:

I certify this to be a true copy and likeness of the original document which I have sighted.

The certification by the trusted referee must include the full name, occupation and signature of the trusted referee and the date of certification. Certification must have been carried out in the three months preceding the presentation of the copied document.

5 Distribution Instructions

By Direct Credit to NZ Bank Account

Bank account number:

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Name of account:

Branch:

6 Trusts Only

Describe below the source of funds (e.g. sale of a property or available cash in trust fund) and normal source of trust income:

Please provide a certified copy of the trust deed **including any amendments and trustee appointment documentation**.

If this documentation has already been provided through a full identity verification process in connection with Cashel Property Investment Limited on or after 27 September 2024 and the documentation is still current and has not been amended since, please tick here: ☐

7 Estates Only

Please provide a certified copy of the last will and a copy of probate.

If this documentation has already been provided through a full identity verification process in connection with Cashel Property Investment Limited on or after 27 September 2024 and the documentation is still current and has not been amended since, please tick here: ☐

8 Partnerships Only

For an ordinary partnership, please provide a certified copy of the partnership agreement.

For a limited partnership, please provide:

- a certified copy of the partnership agreement (and any amendments); and
- a structure chart showing the current ownership and control structure.

If this documentation has already been provided through a full identity verification process in connection with Cashel Property Investment Limited on or after 27 September 2024 and the documentation is still current and has not been amended since, please tick here: ☐

9 Companies Only

Please provide a certified copy of the certificate of incorporation, a copy of the constitution (if any), and a structure chart showing the current ownership and control structure.

If this documentation has already been provided through a full identity verification process in connection with Cashel Property Investment Limited on or after 27 September 2024 and the documentation is still current and has not been amended since, please tick here: []

10 Disclosures

Is the Investor a company incorporated in the United States? ☐ Yes ☐ No

Is the Investor an unincorporated association with a substantial number of members who are United States citizens or residents? ☐ Yes ☐ No

Is the Investor or any of the Relevant Persons senior members of NZ or foreign government, the judiciary, the military or an ambassador? ☐ Yes ☐ No

Is the Investor a tax resident in a country other than New Zealand ☐ Yes ☐ No

11 Your Acknowledgements and Agreements

Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (AML/CFT Act)

You must not knowingly do anything to put the Issuer or Maat Consulting Limited (**Maat**) (collectively **us**) or Dentons Kensington Swan in breach of the AML/CFT Act (including any regulations, guidance and/or codes of practice issued under that Act).

You agree to provide all additional information and assistance requested by us or Dentons Kensington Swan and to comply with all reasonable requests from us or Dentons Kensington Swan to facilitate our compliance with the AML/CFT Act, and consent to your and each Relevant Person's identity and address being verified in accordance with your choice in section 4 above.

You represent and warrant that you are not aware and have no reason to suspect that:

- the money used to fund any investment by you is derived from or related to any criminal or other illegal activities, money laundering, terrorism financing or similar activities (**Illegal Activities**);
- the proceeds of any investment will fund any Illegal Activities;
- any investment will cause us or Dentons Kensington Swan to breach any obligations under the Russia Sanctions Act 2022; and
- the Investor comprises of any nominee arrangements (nominee director, nominee shareholder, nominee general partner).

You agree that neither Issuer nor Maat is liable for any losses incurred as a result of any action we take which either delays your investment or results in an application for Shares being declined, when these actions are necessary for us to comply with our obligations under the AML/CFT Act.

In addition to the privacy policy below, you authorise us to share with Dentons Kensington Swan, and authorise Dentons Kensington Swan to share with us and Maat, all anti-money laundering information and documents you and any Relevant Person supply, and authorise and consent to Dentons Kensington Swan verifying such information with its third party verifiers of due diligence information.

Privacy Act 2020

This statement relates to personal information that you are providing to us by way of this application and any subsequent personal information which you may provide in the future. The personal information you have supplied may be used by us (and our related entities) for the purposes of enabling us to arrange and manage your investment, and to contact you in relation to your investment and for other investment opportunities.

You authorise us to disclose your personal information to any third parties as needed to perform services on your behalf; to regulatory bodies or law enforcement agencies as required by law; to meet our legal or regulatory obligations; and to any party proposing to acquire an interest in us. We will provide you (on request) with the name and address of any entity to which information has been disclosed.

You have the right to access all personal information held about you by us. If any of the information is incorrect, you have the right to have it corrected. You acknowledge that you are authorised to provide this personal information. You agree that your name and address may be used by us to provide you with newsletters and other information about Issuer and other products and services.

Email Use

You consent to receiving financial statements, and other documents which we are required to send to you, electronically at the email address on this form, or another email address advised to us.

12 Declaration

I have received, read and retained a copy of the product disclosure statement for the offer of B Shares in the Issuer dated 28 November 2024 (**PDS**) and agree to be bound by the terms and conditions of the PDS (including, to the maximum extent permitted by law, any replacement or supplement of it), this Application Form, and the Administration Deed and Constitution (as defined in the PDS). I agree to the terms outlined above in relation to the Privacy Act, the supply of personal information, email use and AML/CFT. I understand that the Issuer is primarily intended as a vehicle for long-term investment and the value of my investment is liable to fluctuations and may rise and fall from time to time. I understand the manner in which fees will be deducted from my investment. To the extent required by law, I also agree to, consent to, and approve, for all purposes of the Constitution and the Companies Act 1993, the Issuer entering into the Issuer Loan agreement, Deed of Priority (each as defined in the PDS), and all other documents required to give effect to the Issuer Loan and the related security and priority arrangements described in the PDS.

In addition, by signing this Application Form, companies, trusts and partnerships certify that:

- the trust/partnership/company has been duly established and is validly existing under the laws of New Zealand;
- the trust/partnership/company has not been terminated or liquidated and no event requiring the vesting of the trust's/partnership's/company's assets has occurred;
- the Relevant Persons are as shown on this Application Form; and
- this proposed investment will not cause any limitation on the powers of the trustees/partners/directors to be exceeded.

I understand that investment in the Issuer is subject to investment risk, including possible delays in repayment and loss of income or principal invested. I understand that none of the Issuer, Maat, or any other person guarantees the performance of the Issuer or the repayment of capital by the Issuer or any particular rate of return.

Signed for Investor (attach additional pages if more signatures are required):

Signature

Signature

Full Name

Full Name

Date

Date

Payment Method

Banks are no longer accepting cheques for deposits. Therefore, the purchase of B Shares in the Issuer must be via bank transfer.

Application money must be deposited into:

Name of account: Dentons Kensington Swan Trust Account
Name of bank: ANZ Bank New Zealand Limited
Account name: Dentons Kensington Swan Trust Account
Address: 205 Queen Street, Auckland, New Zealand
Bank account number: 01-0102-0105110-000 (Swift code: ANZBNZ22)
Client reference: PIL982-2001
Client particulars: (your name)

The Application Form must be scanned and emailed to info@maat.co.nz

The original Application Form and supporting identity verification documents must then be sent to **Maat Group, PO Box 301848, Albany Auckland 0752.**

