

26 June 2024

Co-operative Dividend – 3%

NZPM Co-operative Limited (NZPM) is pleased to announce the ordinary shareholder co-operative dividend for the year ending 31 March 2024 of 3% of Grade-A Cash.

This dividend is based on our current earnings, our technology investment and our capacity to distribute our profit to our shareholders while we navigate the very challenging market. The payment reflects the importance of sustaining our strong financial position so that we can deal with future uncertainties.

In these more difficult trading conditions, the directors continue to believe that it is also important to maintain our strong customer service levels and continue to invest in inventory to meet our customers' needs.

The current year technology implementation costs incurred of \$8.4 million represent approximately half of the estimated total project costs and have been charged to earnings. Given the investment will have an enduring benefit to NZPM and our shareholders, the directors have agreed to adjust the co-operative dividend so the cost of the project is allocated over the five years from 2023 to 2027. The current year allocation of cost for dividend determination purposes has been set at \$3.2 million with the remaining costs to be allocated to future years' profits available for distribution to ensure inter-generational equity between shareholders for this investment.

The co-operative dividend payment continues to be set at a minimum of \$300 per Ordinary Shareholder to recognise the support from shareholders who have invested capital of \$10,000 but whose purchases do not generate a minimum dividend of \$300.

Co-operative dividends are an important part of our co-operative value proposition along with service, inventory levels, everyday competitive pricing, quarterly Go for Gold exclusive product rebates, MaxPoints, dividends on Redeemable Preference Shares and NZPM Extra benefits.

The Directors, management and staff of NZPM wish to thank all our shareholders for their continued support of NZPM.



Kathy Meads
Chair