

8 April 2025

Kainga Ora Social Housing Contract

As many of you will be aware, Kainga Ora tender their maintenance contract, normally every three to four years.

The contract which came out for tender in November last year, with a closing submission date in December represents approximately 6% of our overall revenues.

As you would expect, Plumbing World submitted a strong proposal, including our excellent service record to Kainga Ora over more than 14 years, our commitment to Kainga Ora's clients, our work in sustainability, all supported by a very competitive price.

Unfortunately, we have been informed by Kainga Ora, that after 14 years of partnership, they are awarding the contract to another plumbing products supplier, who will begin supplying Kainga Ora from the 1st July 2025.

Whilst we are disappointed not to have been awarded the maintenance contract after such a long and mutually beneficial partnership, the current economic climate resulted in a very competitive tender process, with Kainga Ora advising tenderers that price would be a key factor in its decision-making process. We will maintain our strong relationship with Kainga Ora and look forward to the opportunity to tender in the future when the market conditions allow us to put forward a financially sustainable offering.

Over the next three months, we will continue to supply Kainga Ora maintenance plumbers, while at the same time manage our Kainga Ora inventory levels down by the end of June.

While this is not the news we would like to have received, we are committed to ensuring Plumbing World remains the number one trade owned plumbing merchant in NZ - to that end we have several customer opportunities and new market opportunities being worked on.

If you have any questions, please contact your local Plumbing World representative or me directly.

Regards



Rob Kidd
Chief Executive Officer