

NZPM CO-OPERATIVE LIMITED

CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS ENDED 30 SEPTEMBER 2025

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NZPM CO-OPERATIVE LIMITED
Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 September 2025

		Unaudited 6 months to 30 Sep 2025 \$'000	Unaudited 6 months to 30 Sep 2024 \$'000	Audited 12 months to 31 Mar 2025 \$'000
	Note			
Sales revenue		135,226	159,455	295,864
Cost of goods sold		(96,772)	(112,869)	(210,659)
Gross profit		38,454	46,586	85,205
Other operating income	2	57	271	235
Share of results of associates		29	(126)	41
Administration expenses		(7,365)	(6,989)	(14,199)
Other operating expenses and ERP system transition costs	3	(32,403)	(37,295)	(70,281)
Earnings before finance costs, dividends and tax		(1,228)	2,447	1,001
Finance income		48	97	156
Finance cost		(2,042)	(2,146)	(4,160)
Co-operative dividends and redeemable preference share dividends	4	(600)	(5,231)	(5,885)
Loss before income tax		(3,822)	(4,833)	(8,888)
Income tax income / (expense)		991	(171)	640
Loss for the period		(2,831)	(5,004)	(8,248)
Other comprehensive income for the period				
<i>Items that may be classified subsequently to profit and loss:</i>				
(Loss) / Gain from foreign exchange differences on translation of foreign operations		(2)	(10)	35
Other comprehensive (loss) / gain for the period		(2)	(10)	35
Total comprehensive loss for the period		(2,833)	(5,014)	(8,213)

The accompanying notes form part of, and are to be read in conjunction with, these consolidated interim financial statements.

NZPM CO-OPERATIVE LIMITED
Consolidated Interim Balance Sheet

As at 30 September 2025

		Unaudited 30 Sep 2025 \$'000	Unaudited 30 Sep 2024 \$'000	Audited 31 Mar 2025 \$'000
	Note			
Current assets				
Cash and cash equivalents	5	-	674	1,459
Trade and other receivables		31,019	32,827	36,055
Right to returned goods asset		1,002	1,362	1,292
Inventories		48,303	53,137	50,687
Derivative financial instruments		54	22	60
Taxation refundable		1,404	-	504
Total current assets		81,782	88,022	90,057
Non-current assets				
Property, plant and equipment		10,080	16,498	15,763
Intangible assets		7,990	8,126	8,134
Investment in associate		787	717	761
Right-of-use assets		40,736	49,985	44,579
Deferred taxation		7,536	7,691	7,859
Total non-current assets		67,129	83,017	77,096
Non-current asset classified as held for sale	6	5,279	-	-
Total assets		154,190	171,039	167,153
Current liabilities				
Bank overdraft	5	102	-	-
Trade and other payables		27,326	29,828	30,263
Refund liability		1,410	1,948	1,830
Contract liabilities		1,700	1,981	1,637
Provisions		3,536	4,542	3,606
Lease liabilities		8,103	8,278	8,234
Taxation payable		-	251	-
Derivative financial instruments		188	203	130
Total current liabilities		42,365	47,031	45,700
Non-current liabilities				
Loans and borrowings		16,900	14,700	20,300
Provisions		860	812	932
Lease liabilities		38,897	47,181	42,524
Co-operative share capital	7	38,370	38,485	38,066
Total non-current liabilities		95,027	101,178	101,822
Total liabilities		137,392	148,209	147,522
Net assets		16,798	22,830	19,631
Equity				
Reserves		79	36	81
Retained earnings		16,719	22,794	19,550
Total equity		16,798	22,830	19,631

On behalf of the Board,


Kathy Meads

Director (Chair of the Board)

Authorised for issue on 18 November 2025


Dean Carroll

Director (Chair of the Audit & Risk Committee)

The accompanying notes form part of, and are to be read in conjunction with, these consolidated interim financial statements.

NZPM CO-OPERATIVE LIMITED
Consolidated Interim Statement of Changes in Equity

For the six months ended 30 September 2025

	Note	Foreign currency translation reserve \$'000	Retained earnings \$'000	Total equity \$'000
Unaudited 2025				
Balance at 1 April 2025		81	19,550	19,631
Loss for the period		-	(2,831)	(2,831)
Other comprehensive loss for the period		(2)	-	(2)
Total comprehensive loss for the period		(2)	(2,831)	(2,833)
Balance at 30 September 2025		79	16,719	16,798
Unaudited 2024				
Balance at 1 April 2024		46	27,798	27,844
Loss for the period		-	(5,004)	(5,004)
Other comprehensive loss for the period		(10)	-	(10)
Total comprehensive loss for the period		(10)	(5,004)	(5,014)
Balance at 30 September 2024		36	22,794	22,830
Audited 2025				
Balance at 1 April 2024		46	27,798	27,844
Loss for the year		-	(8,248)	(8,248)
Other comprehensive income for the year		35	-	35
Total comprehensive income / (loss) for the period		35	(8,248)	(8,213)
Balance at 31 March 2025		81	19,550	19,631

The accompanying notes form part of, and are to be read in conjunction with, these consolidated interim financial statements.

NZPM CO-OPERATIVE LIMITED
Consolidated Interim Statement of Cash Flows

For the six months ended 30 September 2025

	Notes	Unaudited 6 months to 30 Sep 2025 \$'000	Unaudited 6 months to 30 Sep 2024 \$'000	Audited 12 months to 31 Mar 2025 \$'000
Operating activities:				
Receipts from customers		137,345	160,228	295,954
Interest received		13	97	156
Dividends received from associates		-	165	165
Income tax refund		414	-	-
Other income		57	106	238
Payments to suppliers and employees		(129,147)	(147,503)	(281,156)
Income tax paid		-	(2,094)	(2,206)
Interest paid on borrowings		(461)	(388)	(871)
Interest paid on lease liabilities		(1,447)	(1,584)	(3,089)
Dividends paid to shareholders	4	(242)	(4,610)	(4,847)
Net cash inflows from operating activities	5	6,532	4,417	4,344
Investing activities:				
Proceeds from sale of property, plant and equipment		107	21	36
Investment in associate		-	(127)	(127)
Purchase of intangible assets		(51)	(388)	(576)
Purchase of property, plant and equipment		(785)	(394)	(781)
Net cash outflows from investing activities		(729)	(888)	(1,448)
Financing activities:				
Issue of new shares	7	933	1,221	2,584
Proceeds from loans and borrowings		-	1,500	7,100
Share payments	7	(932)	(2,362)	(4,562)
Loans and borrowings repayments		(3,400)	-	-
Lease liability payments		(3,965)	(4,191)	(7,536)
Net cash outflows from financing activities		(7,364)	(3,832)	(2,414)
Net (decrease) / increase in cash and cash equivalents		(1,561)	(302)	482
Cash and cash equivalents at beginning of year		1,459	977	977
Cash and cash equivalents at end of period		(102)	674	1,459

The accompanying notes form part of, and are to be read in conjunction with, these consolidated interim financial statements.

NZPM CO-OPERATIVE LIMITED

Notes to the Consolidated Interim Financial Statements

For the six months ended 30 September 2025

1 Basis of preparation

Reporting entity and statutory base

The condensed Consolidated Interim Financial Statements presented are for NZPM Group (the 'Group'), comprising NZPM Co-operative Limited ('NZPM' or 'the company') and its subsidiaries and associate, as at 30 September 2025.

The Group is primarily involved in the provision of plumbing supplies and related products.

NZPM is a co-operative established in 1964. It is a profit-orientated company incorporated and domiciled in New Zealand. The registered office of NZPM is Level 2, 65 Parnell Rise, Parnell, Auckland 1010.

NZPM is registered in New Zealand under the Companies Act 1993 and the Co-operative Companies Act 1996 and is a FMC Reporting Entity under the Financial Markets Conduct Act 2013.

The condensed Consolidated Interim Financial Statements have been authorised for issue by the Board of Directors on 18 November 2025 and have not been audited.

Statement of compliance

These condensed Consolidated Interim Financial Statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP), NZ IAS 34 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting*.

The condensed Consolidated Interim Financial Statements do not include all the notes and disclosures set out in the 2025 Annual Report. As a result, these statements should be read in conjunction with the annual report for the year ended 31 March 2025, (2025 Annual Report), which has been prepared in accordance with New Zealand Generally Accepted Accounting Practice ('NZ GAAP').

The condensed Consolidated Interim Financial Statements are expressed in New Zealand dollars which is the Group's presentation currency. All financial information has been rounded to the nearest thousand (\$'000) unless otherwise stated.

All significant accounting policies adopted in the preparation of these condensed Consolidated Interim Financial Statements are consistent with those used in the audited 2025 financial statements of the Group.

Critical accounting estimates and judgments

The Group makes estimates and judgments concerning the future. The resulting accounting estimates may, by definition, not equal the related actual results. The estimates and judgments used in the preparation of these unaudited condensed Consolidated Interim Financial Statements are consistent with those used in the 2025 Annual Report.

NZPM CO-OPERATIVE LIMITED

Notes to the Consolidated Interim Financial Statements

For the six months ended 30 September 2025

2 Other operating income

	Unaudited 6 months to 30 Sep 2025 \$'000	Unaudited 6 months to 30 Sep 2024 \$'000	Audited 12 months to 31 Mar 2025 \$'000
Other operating income	57	271	235
Total operating income	57	271	235

3 Other operating expenses and ERP system transition costs

	Unaudited 6 months to 30 Sep 2025 \$'000	Unaudited 6 months to 30 Sep 2024 \$'000	Audited 12 months to 31 Mar 2025 \$'000
<i>Other operating expenses and ERP system transition costs include the following:</i>			
Employee expense	25,225	25,830	49,996
Employee expense incurred for the ERP system transition	-	1,343	1,862
ERP system transition costs (excluding internal wages and salaries)	-	2,540	4,082
Depreciation and amortisation expense	5,458	5,615	10,956

4 Co-operative dividends and redeemable preference share dividends

	Unaudited 6 months to 30 Sep 2025 \$'000	Unaudited 6 months to 30 Sep 2024 \$'000	Audited 12 months to 31 Mar 2025 \$'000
<i>Amounts recognised as distributions to shareholders in the period:</i>			
Dividends on redeemable preference shares	600	745	1,399
Co-operative dividends on ordinary shares	-	4,486	4,486
Total co-operative dividends and dividends	600	5,231	5,885

On 9 June 2025, the directors resolved not to pay a co-operative dividend to ordinary shareholders in relation to the year ended 31 March 2025.

	Unaudited 6 months to 30 Sep 2025 \$'000	Unaudited 6 months to 30 Sep 2024 \$'000	Audited 12 months to 31 Mar 2025 \$'000
<i>The below figures reconcile to the amount of cash shown in the Consolidated Interim Statement of Cash Flows at the end of the period as follows:</i>			
Total co-operative dividends and dividends	600	5,231	5,885
less non-cash co-operative dividends and dividends	(358)	(621)	(1,038)
Balance as per the Consolidated Interim Statement of Cash Flows	242	4,610	4,847

NZPM CO-OPERATIVE LIMITED
Notes to the Consolidated Interim Financial Statements

For the six months ended 30 September 2025

5 Notes to the Consolidated Interim Statement of Cash Flows

	Unaudited 6 months to 30 Sep 2025 \$'000	Unaudited 6 months to 30 Sep 2024 \$'000	Audited 12 months to 31 Mar 2025 \$'000
Cash and cash equivalents			
Cash at bank or on hand	-	674	1,459
Bank overdraft	(102)	-	-
Total cash and cash equivalents	(102)	674	1,459
The total also includes any foreign currency held by the Group as at 30 September 2025.			
Cash generated from operations			
	Unaudited 6 months to 30 Sep 2025 \$'000	Unaudited 6 months to 30 Sep 2024 \$'000	Audited 12 months to 31 Mar 2025 \$'000
Loss for the period	(2,831)	(5,004)	(8,248)
<i>Non-cash items:</i>			
Depreciation of property, plant and equipment	1,089	1,188	2,314
Amortisation of intangible assets	195	175	340
Depreciation of right-of-use assets	4,174	4,252	8,302
Movement in deferred tax	323	(1,206)	(1,329)
Net losses on financial liabilities at fair value	64	330	219
Non-cash co-operative dividends and dividends	358	621	1,038
Redeemed shares held in sundry creditors	(55)	-	-
Other non-cash items	(154)	268	72
	5,994	5,628	10,956
<i>Items classified as investing or financing adjustments:</i>			
Gain on disposal of property, plant and equipment	(6)	(78)	(10)
Investment in associate	-	-	127
	(6)	(78)	117
<i>Movement in working capital:</i>			
Decrease in trade and other receivables	5,036	5,949	2,720
Decrease in right to returned goods asset	290	142	212
Decrease in inventories	2,384	1,353	3,803
Decrease in taxation payable	(900)	(717)	(1,517)
Decrease in trade and other payables	(2,936)	(2,401)	(1,967)
Decrease in refund liability	(420)	(207)	(325)
Increase / (decrease) in contract liabilities	63	291	(53)
Decrease in provisions	(142)	(539)	(1,354)
	3,375	3,871	1,519
Net cash inflows from operating activities	6,532	4,417	4,344

NZPM CO-OPERATIVE LIMITED

Notes to the Consolidated Interim Financial Statements

For the six months ended 30 September 2025

6 Non-Current asset held for sale

NZPM owned a property in Kingsland which is tenanted by Plumbing World Limited. On 19 September 2025, the Group entered into an unconditional sale and purchase agreement to sell the property for \$5.3 million. The agreement settled in October 2025. Plumbing World entered into a subsequent agreement to lease back this property from the buyer for an initial term of 9 years 8 months. As at 30 September 2025, the Kingsland property is classified as a Non-Current Asset Held for Sale.

7 Co-operative share capital

The movements in shares by class for the Group are as follows:

	Unaudited 6 months to 30 Sep 2025 \$'000	Unaudited 6 months to 30 Sep 2024 \$'000	Audited 12 months to 31 Mar 2025 \$'000
On issue at the beginning of the year	38,066	39,005	39,005
Net issues and redemptions for the period:			
Ordinary shares	127	174	287
'New' redeemable preference shares (New RPS)	177	(694)	(1,226)
On issue at the end of the period	38,370	38,485	38,066
	Unaudited 6 months to 30 Sep 2025 \$'000	Unaudited 6 months to 30 Sep 2024 \$'000	Audited 12 months to 31 Mar 2025 \$'000
<i>Ordinary shares</i>			
Issued capital			
9,574,418 (Sept 2024: 9,334,030 Mar 2025: 9,446,497) ordinary shares of \$1 each less uncalled and unpaid capital	10,805 (1,231) 9,574	10,985 (1,651) 9,334	10,845 (1,398) 9,447
<i>Redeemable preference shares (RPS)</i>			
16,564 (Sept 2024: 16,564 Mar 2025: 16,564) redeemable preference shares of \$1 each fully paid	17	17	17
<i>'New' redeemable preference shares (New RPS)</i>			
27,372,253 (Sept 2024: 27,741,486 Mar 2025: 27,202,669) new redeemable preference shares of \$1 each fully paid	27,372	27,742	27,203
206,447 (Sept 2024: 246,606 Mar 2025: 221,675) FR24 redeemable preference shares of \$1 each fully paid	206	247	221
1,175,824 (Sept 2024: 1,115,135 Mar 2025: 1,153,675) FR36 redeemable preference shares of \$1 each fully paid	1,176	1,115	1,154
24,584 (Sept 2024: 30,361 Mar 2025: 24,099) FR48 redeemable preference shares of \$1 each fully paid	25	30	24
Total co-operative share capital	38,370	38,485	38,066
<i>Classified as:</i>			
Non-current	38,370	38,485	38,066

NZPM CO-OPERATIVE LIMITED

Notes to the Consolidated Interim Financial Statements

For the six months ended 30 September 2025

7 Co-operative share capital continued

The below figures reconcile to the amount of cash shown in the Consolidated Interim Statement of Cash Flows at the end of the period as follows:

	Unaudited 6 months to 30 Sep 2025 \$'000	Unaudited 6 months to 30 Sep 2024 \$'000	Audited 12 months to 31 Mar 2025 \$'000
Total co-operative share capital	38,370	38,485	38,066
less non-cash co-operative dividends and dividend payments	(358)	(621)	(1,038)
add redeemed Redeemable Preference shares held in sundry creditors	55	-	-
less opening balance	(38,066)	(39,005)	(39,005)
Net balance as per the Consolidated Interim Statement of Cash Flows	1	(1,141)	(1,977)

Ordinary shares

Ordinary shares may be surrendered at the option of the shareholder, directors or Group according to the Constitution at the nominal value of \$1 per fully paid share. Acceptance of the surrender is subject to the directors consideration and the directors' right to postpone payment for up to five years. Ordinary shares carry certain rights as to voting and co-operative dividends.

Redeemable preference shares

NZPM has issued various classes of redeemable preference shares. Redeemable preference shares issued at different times and with different terms each constitute a separate class of redeemable preference shares. Redeemable preference shares are redeemable at the option of the shareholder at the nominal value of \$1 per share. Redeemable preference shares carry certain rights to receive dividends. Redeemable preference shares carry no voting rights (except as required by section 117 of the Companies Act 1993) or rights to co-operative dividends. The directors are able to postpone repayment indefinitely. As at 30 September 2025, the quarterly dividend rate was 6.0% (Sept 2024: 6.50%, Mar 2025: 6.00%) per annum.

Share surrenders and redemptions

On 13 August 2025, due to the current weak trading performance of NPZM, a weak market outlook, and increased requests for Ordinary Share surrenders and Redeemable Preference Share redemptions, NZPM resolved to delay repayments of any redeemed Redeemable Preference Shares until further notice.

General

All shares carry equal rights on any winding up of NZPM to be repaid the paid-up capital, in proportion to the capital paid-up on each share. Each ordinary share also carries the further right to share equally in the distribution of any further residual assets of NZPM following repayment of the paid-up capital. The Constitution and the Companies Act 1993 gives the directors the discretion to pay different rates of dividend, if any, to different classes of shares. All share capital is classified as a liability as it is redeemable on a specific date or at the option of the shareholders.

8 Contingent liabilities

There were no contingent liabilities as at 30 September 2025 (Sept 2024: nil, Mar 2025: nil).

9 Capital commitments

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities are as follows:

	Unaudited 6 months to 30 Sep 2025 \$'000	Unaudited 6 months to 30 Sep 2024 \$'000	Audited 12 months to 31 Mar 2025 \$'000
Upgrade to leased and owned premises	-	-	20
Computer equipment	46	21	-
Motor Vehicles	-	-	151
	46	21	171

10 Events after the reporting period

There were no other significant events after the reporting date other than those noted within the interim financial statements.