

June 2026

NZPM CONNECTOR

OUR QUARTERLY NEWSLETTER

NZPM co-operative

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WELCOME TO THE SECOND EDITION OF CONNECTOR FOR 2026.

It was great to join a number of you on the Shareholder Trip to Dublin in May. I had the opportunity to connect with many of you personally, and the conversations I had were genuinely valuable – thank you for your openness and your ongoing commitment to the Co-operative.

The Business Session at the Conrad Dublin brought our shareholder community together in a way that felt timely and important. Brett presented the results to 31 March and outlined the work underway for the year ahead. I won't pretend it made for easy listening – it has been a tough year for NZPM, for many of you in your own businesses, and for New Zealand more broadly. But I want to say again how proud I am of Brett and the wider team. They are working incredibly hard in very difficult circumstances and giving everything they have. The Board couldn't ask for more.

We were also fortunate to have Joe Hayden join us as our guest speaker. Joe is a fourth-generation dairy farmer from Tinahely in County Wicklow, Ireland, whose family has farmed the same land since 1865. His farm – known as The Baileys Farm – is the spiritual home of the cream used in Baileys Irish Cream, supplying over 1.5 million litres of milk annually through Tiirlán, one of Ireland's largest farmer-owned dairy co-operatives. The name Tiirlán comes from the Irish words for "land of abundance" – a fitting description for a co-operative deeply rooted in family farming and rural community. Joe shared not just the remarkable story of his farm and its connection to Baileys, but his own life journey and the broader strength of Ireland's co-operative industry – a thread that resonated strongly with our own shareholder community.

Trading conditions

Times remain tough. The market is fiercely competitive and margins remain under pressure. As noted in the last edition, NZPM incurred a significant trading loss for the year ending March 2026. Our focus continues to be on the fundamentals - managing costs carefully, protecting the Balance Sheet, and executing on the initiatives underway to improve customer service, drive revenue growth, and reduce costs. These are tracking to plan, and while the near-term environment remains demanding, the work being done today is aimed squarely at positioning the Co-operative well for the recovery ahead.



Governance update

At the Dublin plenary session, the Board signalled its intention to propose a constitutional amendment at the Annual Meeting on 21 August 2026. The proposed change would increase the number of Independent Directors from two to three, with a corresponding reduction in the minimum number of elected shareholder directors from five to four. The Board's view is that broadening the range of skills and experience available at governance level will strengthen the Co-operative over time.

This proposal will be put to shareholders for approval at the August 2026 Annual Meeting, and if approved, would take effect from that date. The intention is that the company will continue to have seven directors with a reduction in the number of elected directors taking place at the August 2027 Annual Meeting while giving the Board the ability to appoint a third Independent Director when the right opportunity arises.

The Board will not be proposing any change to the overall director remuneration pool.

As always, thank you for your continued support of your Co-operative. We are working hard on your behalf, and we remain committed to navigating this period with discipline and a long-term view.

A handwritten signature in black ink, appearing to read 'Kathy Meads'.

Warm Regards,
Kathy Meads, NZPM Chair

AN UPDATE FROM OUR CEO — BRETT CRUICKSHANK

Thank you to the customers who are continuing to support the Co-operative. While there is still work to do, sales for the first two months of the financial year have tracked ahead of recent trends, providing encouragement that our recovery initiatives are gaining traction. Karin Cunningham's article provides some additional insight and I am confident that our management teams around the country have a clear understanding of how to continue to reinvigorate NZPM.

Thank you also to our people who strive every day to provide the service and support that helps to make your businesses successful. I continue to be impressed by the resilience and commitment shown by our people as we navigate a challenging market environment where pricing is incredibly competitive and our margins are at unprecedentedly low levels. We continue to work within this new reality by managing costs, leveraging technology and striving to grow our value-add solutions such as our Own Brand range.

When we returned from our summer break, the market outlook was reasonably positive with economic indicators mostly indicating that 2026 would be somewhat buoyant for our sector. Unfortunately, the Middle East conflict has changed that outlook. We now face higher inflation and interest rates while the confidence to invest has declined. Accordingly, we need to be able to operate within this more difficult environment for a longer period than we expected.

We recently received feedback from our six-monthly customer survey. The surveys are undertaken by an independent company and are a great tool to understand what we are doing well and what we can improve upon. The most recent survey showed noticeable improvements compared with earlier surveys, while also identifying new opportunities for improvement, with inventory range identified as a key area for improvement. Our teams are reviewing branch ranging to ensure we continue to improve product availability for customers. As an aside, we also undertake quarterly staff surveys for the same reason.

During May, NZPM hosted shareholders and suppliers in Dublin for our biennial overseas shareholder trip. These trips remain a unique benefit of co-operative membership, creating opportunities for shareholders to build relationships, share ideas and strengthen industry connections. Over the week, I was able to have a lot of positive conversations, was privileged to share in both new and established shareholder friendships and generally spend a bit more time than usual with our shareholders.

Our 2028 destination is Nusa Dua. The Passport to Paradise beachside destination was chosen to keep the overall cost to a level that will allow more shareholders and their families to



join the trip. The destination is accessible via a direct flight from New Zealand, making it easier for shareholders to join the trip for a single week without being away from their businesses for an extended period. Thank you again to our key suppliers for sponsoring these trips.

If this trip is of interest to you, please feel free to contact Michelle Bingham by phone or email for more information (michelle.bingham@plumbingworld.co.nz).

Finally, we are now in the last few weeks of our branch events for the Young Plumber of the Year Competition. It is great to see that the new apprentice category is proving very popular. Our regional events start in late July so please continue to support these events as the young members of our industry do battle to win the coveted titles of Young Plumber of the Year and Young Apprentice Plumber of the Year.

While market conditions remain challenging, we are focused on the things we can control: supporting customers, improving our offer and strengthening the long-term sustainability of our Co-operative.

Thank you for your continued support of our Co-operative.

A handwritten signature in black ink that reads "Brett Cruickshank". The signature is fluid and cursive.

Regards,
Brett Cruickshank
NZPM CEO

DIGITAL NEWSLETTERS

Reminder: Connector newsletters are now being sent to shareholders via email only. We appreciate your ongoing engagement and thank you for supporting this move to digital communication.

We continue to invite retired shareholders to stay connected with what's happening in our co-operative. If you or someone you know is a past NZPM shareholder, simply email info@nzpm.co.nz and ask to be added to our past members' mailing list.



DIRECTORS' POINT OF VIEW FROM CRAIG MCCORD

I have been fortunate that for the past 45 years of my life, I've been passionate about my work. The building industry, particularly plumbing and drainage, has given my family and me so much in return. I am privileged to now also have a similar experience in the farming industry.

Drawing comparisons between the two is not much of a stretch, with many of the skills required being transferable.

However, lately, there has been an imbalance that as a director of NZPM I find quite interesting. Having been an NZPM shareholder since the beginning I thought it a natural progression to become a shareholder of two of the rural shareholder-based companies available in NZ, one a fertiliser co-op and the other a farm supplies co-op.

For me and most of our farming neighbours, as shareholders, it was and still is a no-brainer to put most, if not all, of our trade through these businesses to do our bit to contribute to their success. I am proud to call myself a stakeholder and while there have been difficult trading seasons, we ultimately understand the long-term benefits of supporting these businesses and enjoy their success. This is similar to other large farmer owned New Zealand agricultural companies, Fonterra and Zespri.

In the building industry, there are far fewer opportunities to be involved in a co-operative such as NZPM with a genuine national footprint. Just as with the agriculture examples, these businesses will only survive, flourish and lead the industry by example if they are supported. If I look at most other industries, there are, in my opinion, no similar alternatives. What I see is a lot of foreign ownership, duopolies and a general loss of control just as it was back in the 1960s when NZPM was first established.

Co-operatives operate under clear values and principles, including fairness, democratic control, shared responsibility and concern for community. These values shape how decisions are made, how risk is managed, and how success is measured; not just financially, but for you the members and our wider communities.



A CALL TO ACTION

The strength of a co-operative depends on its members. I urge you to support your co-operative by buying from it, investing in it, voting on future strategies and generally staying engaged. This isn't just good for the business; it helps protect competition, preserve choice in the market, and ensures the supply chain works for all involved.

Your involvement and participation matter. A strong co-operative today helps safeguard a fairer, more resilient market tomorrow.

Craig McCord
NZPM Director

PW DOES DUBLIN 2026

Over 150 shareholders and suppliers recently travelled to the other side of the world to take part in PW Does Dublin - a truly memorable experience that showcased the very best of Ireland. Highlights included exclusive use of the Guinness Storehouse, lunch at the Titanic Centre in Belfast, guided musical pub crawls through Dublin, and an insightful guest presentation from Joe Hayden of Baileys. Combined with exceptional dining experiences, orientation tours, and a spectacular gala dinner, the trip was an unforgettable experience for all involved.

Our sincere thanks to everyone who took time away from their businesses to attend and contribute to making the trip such a memorable occasion.

Thank you for joining us!



CHIEF COMMERCIAL OFFICER — KARIN CUNNINGHAM

A Positive Start in a Challenging Market

The first few months of the financial year have continued to reflect the challenging conditions across the wider market. Activity remains uneven in many parts of the country, with customers and contractors still navigating pressure from subdued residential demand, tighter project economics, and ongoing cost discipline. Broader industry reporting in New Zealand also points to a market that is stabilising but still operating cautiously, particularly in construction and plumbing-related sectors. Despite that backdrop, our teams have stayed focused on supporting customers well, protecting opportunities, and maintaining momentum where it matters most.

Encouragingly, we are seeing some very good wins emerging across the regions. These wins are a reminder that even in a tougher trading environment, there are still strong opportunities for growth when we stay close to our customers, respond quickly, and work together across the business. Regional teams are securing projects, building stronger pipelines, and finding practical ways to create value in their local markets. That collective effort is helping to build confidence and giving us a solid platform as we move further into the year.

One area where we can continue to strengthen our performance is through a greater focus on Own Brand purchasing. Supporting Own Brand options not only helps deliver competitive value and consistency for our customers, it also provides a direct benefit back to the cooperative. As we look ahead, increasing engagement with Own Brand projects



is an important opportunity to improve returns, back our collective strength, and ensure we are capturing more of the value generated through our network.

In a market where every win counts, this is a practical and meaningful way we can all contribute to better outcomes for the co-operative.

Karin Cunningham
NZPM Chief Commercial Officer

PASSPORT TO PARADISE — NUSA DUA 2028

It is with great pleasure that we announce our 22nd Overseas Trip destination in 2028 will be to the stunning and vibrant destination of Nusa Dua, Bali!

Chosen especially with our shareholders in mind, Nusa Dua offers the perfect combination of ease of travel, luxury, and unforgettable experiences. With direct flights from New Zealand and a specially curated five-night programme at the beautiful Sofitel Bali Nusa Dua Beach Resort, this family-friendly destination promises something for everyone.

Renowned for its pristine beaches, crystal-clear waters, and relaxed luxury atmosphere, Nusa Dua blends authentic Balinese culture with warm hospitality and world-class facilities. From traditional temples and cultural performances to beachside relaxation and spectacular sunsets, this tropical paradise offers an experience that is both rejuvenating and inspiring.

The 2028 programme is priced at \$7,995 per adult twin share, or only 18,388 MaxPoints. Children's pricing is also available on request.

One of the highlights consistently shared by previous Overseas Trip attendees is the opportunity to build lasting friendships with like-minded shareholders and families, reconnect with old friends, meet new people within the industry, and enjoy a seamlessly organised experience that allows everyone to focus on making memories together.

Nusa Dua 2028 promises to be an incredible experience like no other, and we can't wait for you to join us as we continue to show you the world - Plumbing World style.

For more information or to register your interest, please speak with your local Branch Manager or visit the NZPM Co-operative [Overseas Trips Programme page](#).

Regards,
Brett Cruickshank, NZPM CEO



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2026 YOUNG PLUMBER OF THE YEAR & APPRENTICE YOUNG PLUMBER OF THE YEAR

Plumbing World's Young Plumber of the Year (YPOTY) 2026 competition is in full swing with only a handful of branch events left on the calendar.

Celebrating the talent of the New Zealand plumbing industry is hugely important, and now formally recognising our up-and-coming Apprentices has taken the competition to the next level. It has been amazing to see the quality of talent with some exceptional tradies shining through at all levels. With familiar and new faces coming together throughout the Plumbing World branch network 2026 has been a fantastic celebration of our industry.

This competition provides a fantastic opportunity for our young plumbers to showcase their skills, network with industry professionals, and gain national recognition for both themselves and you, their valued employers. Entering YPOTY offers multiple benefits including regional and national brand recognition, recruitment advantages, positive company culture, professional development and up-to-date knowledge for your team and business.

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YOUNG PLUMBER of the year

As the national Young Plumber of The Year and/or Apprentice Young Plumber of the Year winner's employer, you will receive:

- Two-night accommodation (including breakfast) at any NZ Scenic Hotel.
- \$500 Prezzy Card.
- \$250 Fuel Voucher towards the running of winner's van courtesy of Plumbing World.
- Employer Certificate

The regional finals are coming up so please come along and see the best in the industry put themselves out there and chase a coveted spot at our national final in October 2026 at Claudelands Exhibition Centre, Hamilton.

Regional Final venues and dates can be found on the [Young Plumbers website](#).

Stay connected and up to date by following us on [Facebook](#) and [Instagram](#) or visit the [Young Plumbers website](#) for all the latest news.



NZPM

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2026 Annual Meeting

Friday 21st August, 4:30pm

Chateau on the Park, Christchurch

Registrations are now live for the 2026 Annual Meeting, taking place at Chateau on the Park, Christchurch, on Friday 21 August 2026 at 4:30pm.

Please follow the link below to visit the NZPM website to RSVP for the Annual Meeting and evening dinner, as well as secure your accommodation using the discounted group rate available at Chateau on the Park.

[Click here for more information and to register](#)

FOR THE KIDS

Julian Parker (100% Plumbing & Gas Ltd – Rotorua) is a dab hand on the tools, and also on the paper!

When Julian and Shannon were expecting their first child they thought it would be fun to buy their son a book to read to him but soon discovered there was no plumbing specific books for kids! What did Julian do? He fixed that by writing his own! Fast forward three years and what started as an idea has finally turned into the very first kids book focused on Plumbing, and it's ready to sell!

We're stoked for Julian and Shannon making this a reality and wanted to share it with you, and hope it may spark some very young interest in our fantastic trade



Order yours today through your Plumbing World branch (SKU: BIGLEAK) or online from [100Apparel](http://100Apparel.com).

SHAREHOLDER LOYALTY



60 YEARS
Ian Stephens Ltd



30 YEARS
Plumbing St Lukes Ltd



20 YEARS
Peak Plumbing and Gas Ltd



20 YEARS
Hansen Drainage and Earthworks Ltd



20 YEARS
Wilson Plumbing and Drainage Ltd



20 YEARS
Taihape Plumbing Ltd



20 YEARS
A C Drainage Ltd



10 YEARS
AMS Plumbing and Gas Ltd



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NZPM's Statement of Purpose

Delivering Sustainable Shareholder Value

Part of our NZPM co-operative

