

Questions









Agenda

1. Building for tomorrow	Ross Taylor / Bevan McKenzie
2. Building Products	Hamish McBeath
3. Distribution	Bruce McEwen
4. Concrete	Nick Traber
5. Australia	Dean Fradgley
6. Residential and Development	Steve Evans
7. Concluding Remarks	Ross Taylor

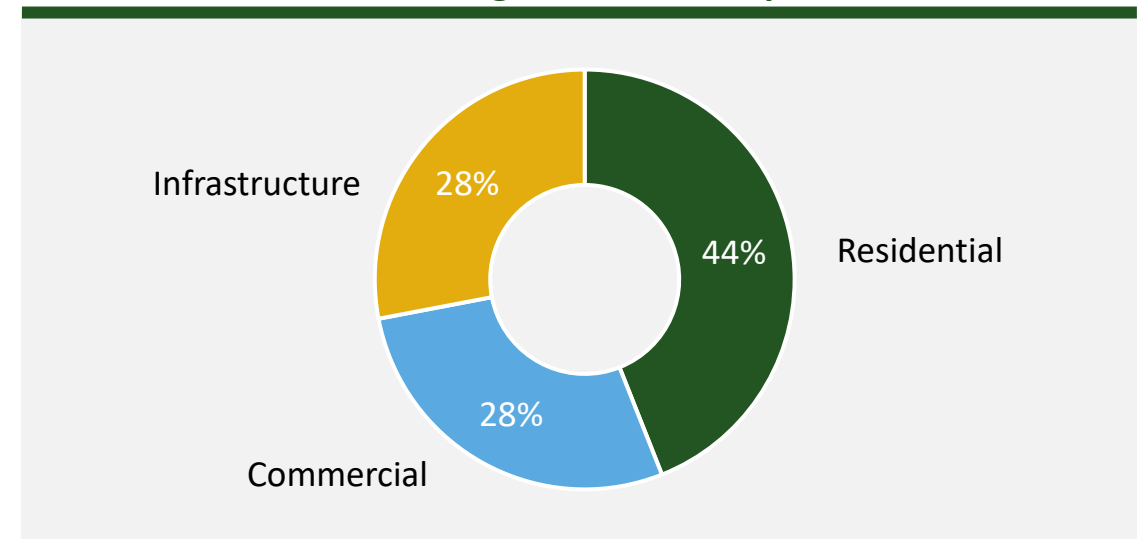


The leading New Zealand building products solutions provider with unrivalled network

- ➔ Market leading building products brands for the finishing trades with world leading technical product knowledge
- ➔ Strong in-country manufacturing presence, providing a large range of decorative surfaces & panel products. The only manufacturer of plasterboard & glasswool insulation
- ➔ Integrated value chain in concrete & plastic pipes, servicing a wide range of customers with solutions into multiple sectors
- ➔ Balanced portfolio of Steel businesses including EasySteel, Pacific Coilcoaters, Dimond Roofing, CSP Pacific, and Reinforcing & Wire Products

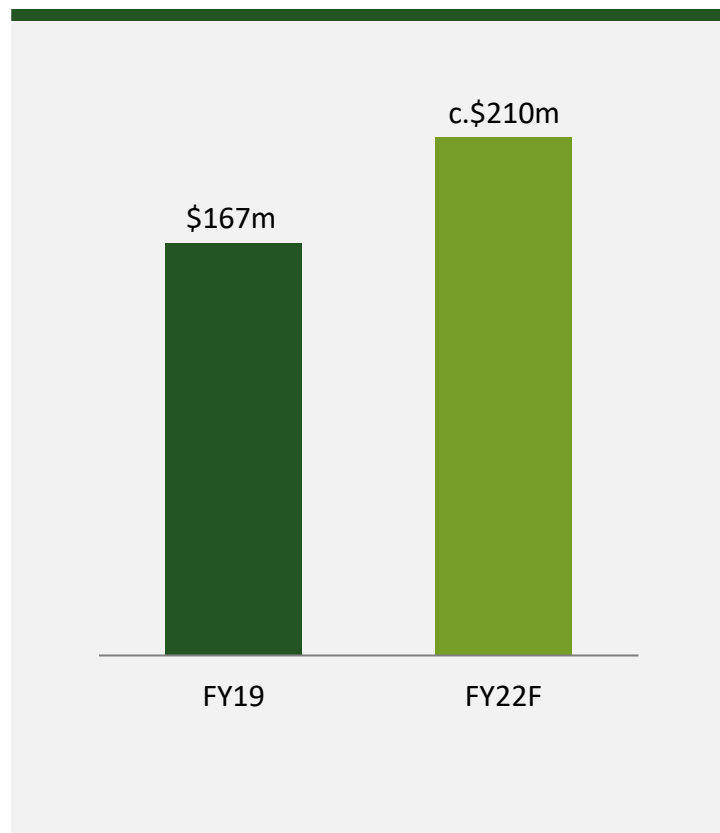
	Business Unit	Market Share ¹	Position
Products	 GIB	c.45%	#1 / #2
	 Laminex™ NEW ZEALAND		
	 TASMAN INSULATION NEW ZEALAND		
Pipes	  HUMES iPLEX Pipelines	c.35%	#2
Steel	 Fletcher Steel™	c.25%	#1 / #2

Revenue Weighted Sector Exposure²

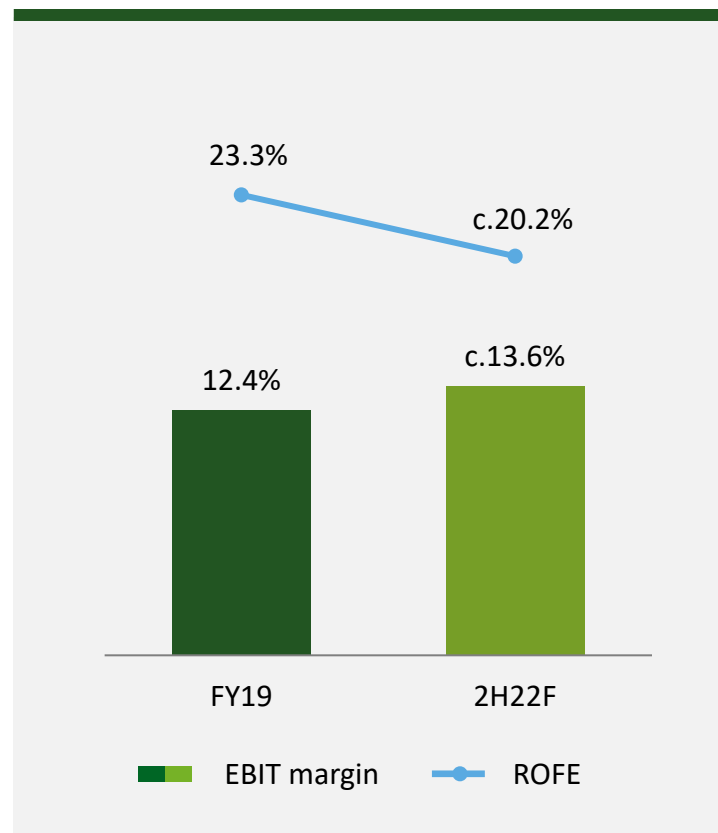


EBIT margin growing to c.14% through pricing disciplines, new products and manufacturing efficiency investments; ROFE decline reflects investment in inventory

EBIT (\$m)¹



EBIT Margin¹ (%) and ROFE² (%)



Key Non-financial Measures

	FY19	YTD22
TRIFR ³	6.4	2.7
NPS	36	48
Engagement	72%	74%
Carbon ('000t) ⁴	58	62



Driving growth with new glasswool insulation plant

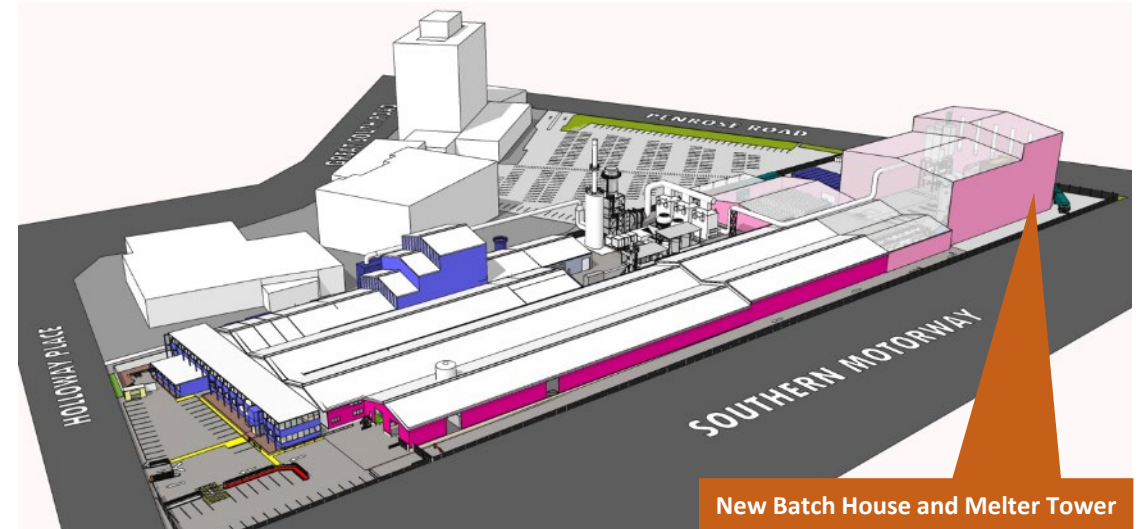
Current plant at full capacity; responding to Building Code change requiring c.2x current bales of insulation

Driving operational performance (top & bottom line)

- Pricing disciplines in place to offset inflation
- Ongoing gains in existing plant manufacturing efficiencies is continuing to deliver small capacity enhancements to meet current market demands
- Finalising offshore supply arrangements to boost supply options prior to new plant commissioning
- TINZ and Forman businesses merged – will trade as Comfortech
 - Comfortech will offer solutions in thermal comfort, acoustic performance, moisture / vapour control and fire barriers



Delivering growth through code change requirements



- Final stages of scoping new production line – to be installed next to existing line
- Will triple existing line and be able to produce latest generation glasswool insulation, facilitating volume & market share growth from late FY24
- Old line approaching end-of-life and will be decommissioned



Laminex Taupo plant upgrade

Delivering growth through modernisation, adjacencies & higher margin products

Laminex Taupo plant upgrade for wood-fibre products

- ➔ Final stages of vendor selection for new panels plant in Taupo
- ➔ New plant will offer a wider range of latest generation wood-fibre based panel products not currently available in NZ
- ➔ Capacity will allow us to meet demand for export sales
- ➔ Once complete, will generate c.\$20m of mid-cycle earnings uplift from FY27

Driving operational performance (top & bottom line)

- ➔ Product range refresh and product category growth driving higher sales & better margins
- ➔ Introduced Surround by Laminex: higher margin & paint alternative
- ➔ Continued development of digital capability and offering – now 30% of sales and growing rapidly

Laminex upgrade site footprint



Grey and translucent blue indicates new plant and equipment to be built beside existing end-of-life plant which will be decommissioned on completion



Steel

Investing to achieve world-class logistics, cost & operating efficiencies as well as market share

Steel manufacturing efficiencies

- ➔ 1st stage of infrared ovens installed successfully, final stage due Dec/Jan, strong confidence on delivery of improved operational efficiencies, product offerings & reduction in carbon emissions
- ➔ New purlin mill (triple existing capacity & broader range) ordered; will commission on new site in Mar-24 (earlier than rest of the site)

Driving operational performance (top & bottom line)

- ➔ Steel plate processing upgraded and new machines added, facilitating growth options
- ➔ CSP in final stages of new barrier development which will enable international IP licensing opportunities
- ➔ Strong price / mix processes driving improved distribution margins
- ➔ Digital upgrade programme underway which will deliver enhanced freight management & online sales opportunities from end of FY23

New Steel site delivering best-in-class manufacturing

- ➔ Purpose-built steel distribution & processing centre to be constructed by FY26, delivering significant handling capacity & efficiency gains



Humes

2-year manufacturing upgrade programme nearing completion, delivering low-cost, efficient manufacturing

Manufacturing footprint

- ➔ Completed site consolidation, resulting in two nationwide pipe manufacturing sites and three nationwide precast sites
- ➔ Upgrades of existing plant and addition of new process technology will lift available capacity by 30%
- ➔ New product development now possible

Driving operational performance (top & bottom line)

- ➔ Improved product offerings increasing exposure to civil infrastructure and civil subdivision
- ➔ Distribution Branch Refresh Programme well underway – aiming to complete over the next 18 months
 - ➔ New branches opened in Taupo and Timaru in FY22
 - ➔ Two additional new branches planned for opening in FY23
- ➔ Point-of-sale digital solutions

Papakura manufacturing plant automation

- ➔ Humes Papakura manufacturing plant automation will be operational from Aug-22
- ➔ Will deliver production efficiencies, with the automation of a number of previously manual production processes



Building Products continuing to strengthen & grow existing manufacturing positions in NZ via ongoing innovation & investments

- ➔ Improved modern & automated manufacturing plants expected to drive operational efficiency and address capacity constraints to facility share growth
- ➔ Solid programme of new product development aimed at broadening our addressable market
- ➔ Rolling out opportunities by pushing into adjacent sectors to deliver medium-term growth
- ➔ ROFE will settle at 16-17% by FY27 once new investments materialise to balance sheet

Growing margins to c.14% through pricing disciplines, new products and manufacturing efficiency investments



Questions

