

NZX Release

6 August 2018

## Methven signs a strategic partner in China

Methven today announced that they have signed a strategic partnership with Jiangsu RuiZhiShang Building Materials Company ("RuiZhiShang"). This partnership will mean that Methven's proprietary shower technology will be quickly brought into many significant projects over the next 10 years. Methven signed their first distribution agreement with RuiZhiShang in November 2017, and they quickly brought Methven products into two large projects right after that. This success, utilising RuiZhiShang project expertise and passionate commitment, enabled elevation of their regular distribution to a strategic partnership across China.

David Banfield, Group CEO at Methven commented "We are delighted to witness the quick wins right after the distributing partnership, and have now gained agreement to uplift this partnership to national and strategic level. The opportunity to bring our award-winning showerware and tapware into hundreds of premium hotels and high-end apartments allows us to tell our compelling brand and technology story to discerning Chinese consumers."

RuiZhiShang was set up in 2001 in China and specialises in supplying bathroom fittings, and successfully distributes renowned international and local sanitary products across the country through their unique resources of project deals. RuiZhiShang has over 200 staff completing over 50 projects across the country every year, achieving an annual revenue of RMB400m. By adding Methven showerware and tapware into their project deals, Methven is targeting to deliver annual sales of between RMB40m - RMB50m (NZ\$8.5 – NZ\$10.5m) by 2020/21.

Mr Banfield added "Using shower technology designed and manufactured in Auckland, our China team has quickly established over 40 stockists within their first two years, and delivered a number of high quality projects that serve to build our reputation and brand awareness in the China market. We have delivered over RMB1m in sales per month for the last four months and believe by signing this strategic partnership with a nationwide project specialist, in addition to the national retail distributor we signed in March, we will be able to continually reinforce our brand building through iconic projects and retail presence. This in turn further secures consumers' confidence in our brand, and enables us to deliver long term profitable growth in China."

- ends -

*For queries, please contact:*

*David Banfield, Group CEO, +64 9 829 0419, [dbanfield@methven.com](mailto:dbanfield@methven.com)*

### About Methven:

Methven is an NZX-listed market-leading designer and manufacturer of showers, taps and valves. Our business is headquartered in Auckland where we design, develop and manufacture many award-winning products and technologies. Our international operations see our products distributed in Australia, China, UK, Middle East, USA and Europe in addition to our home market of New Zealand. In 2016 we celebrated 130 years of innovation and shared our long term growth plans, Methven 130 - the aim to grow sales to \$130 million by June 2020. Our business transformation plan, Fit 4 the Future, kicked off in July 2017 to ensure we have a simplified and strengthened platform for long term growth.

For more company information, visit <http://www.methven.com/nz>