

# SHAREHOLDER NEWSLETTER



June 2024

## CEO AND CHAIR

Dear Shareholder  
Kia ora, tēnā koutou

It is no secret that 2023 and the 2024 year to date have been challenging for New Zealand businesses, marked by a notable reduction in spending, cost cutting and projects and investments put on hold. This has a ripple affect across the supply chain, including impacting steel distribution and processing businesses like ours. Despite this, Steel & Tube has continued to strengthen customer relationships, maintain market share, grow margins and significantly improve operating leverage to position itself for New Zealand's economic recovery. We have continued to focus on what we can control and explore new opportunities to grow higher value products and services.

While economic headwinds are expected to persist for much of this year, we remain focussed on our strategic goals. The macro-trends and opportunities for our sector remain strong, our dual pathway strategy is delivering tangible and valuable results and we have a lean and efficient operation. We are well positioned for demand growth when it returns, with quality inventory on hand, strong customer relationships and significant operating leverage.

Steel is one of the world's most essential and sustainable building products – permanent, forever reusable and the most recycled substance on the planet. For many construction applications, steel is the only choice. We have the expertise and the products to deliver innovative solutions in a future where climate change is likely to become more common.

We are pleased to provide shareholders with an update on our strategic progress in this newsletter, including our guidance for the year ending 30 June 2024. Stories demonstrating our strategy in action are also included below.

**Susan Paterson** Chair  
**Mark Malpass** Chief Executive Officer

[Please click here to read the full newsletter.](#)

## OUR STRATEGY IN ACTION



### Rodex Acquisition

In April 2024, we announced the expansion of our fleet of specialist steel freight trucks, with the acquisition of 20 trucks and eight trailers, as well as a great team of drivers. These will add to our existing fleet and service the upper North Island, providing improved service for our customers and positive earnings for our company.

[Read more here](#)



### Project Strong

Twelve months ago, we commenced Project Strong to increase our warehouse capacity and improve our service offer and productivity. Work has progressed well and we are now in the final stages to enable full capacity.

[Read more here](#)

## MAKING LIFE EASIER



### Webshop Milestones

Four years ago we launched our digital ordering platform – the first in our industry. At the time there were a few concerns it wouldn't take off because many of our customers had traditional ways of working. It's fantastic to see how this has evolved and how important it's become for customers who want to do their business online and at times that suit them.

[Read more here](#)



### Steel & Tube's Newest Site, in Hamilton

Steel & Tube has invested in its Waikato customers, with a brand-new roofing site, purposely designed to process orders faster and meet the demand for roofing products across the region.

[Read more here](#)

## INTRODUCING SAM REINDLER



Sam is the new GM Freight, Logistics and Distribution Centres, bringing his experience in project management, operations and commercial management to the role.

[Read more here](#)

## WHAT MATTERS



### Celebrating women in the steel industry

International Women's Day is an opportunity to celebrate our amazing female team members. It warrants a special acknowledgement, because although we continue to make grounds to even the participation rates in our sector with almost 30% of Steel & Tube's workforce being female, the reality is that the steel (and building products) industry remains a male dominated area. And until there's equal levels of participation, the females in our team are a minority who have chosen to carve out a path in our sector.

In keeping with the day, we held a great session with Te Kahukura Boyton, Founder of Māori Millionaire, for a Financial Wellbeing session. Statistically females typically experience lower superannuation savings and life time earnings – particularly through less time in the workforce to raise families – so advice on bridging the gap is something Te Kahukura provides specialist advice on.

## CASE STUDY



### Woollen Mills Site in Onehunga

Transforming the Woollen Mills site in Onehunga into a modern industrial campus was the work of JWA Architects. Steel & Tube's Legacy™ profile was selected to line the signature saw-tooth roof and exterior walls, bringing a sophisticated accent to this award-winning 15,000 sqm build.

[Read more here](#)

