

**MINUTES OF THE ANNUAL GENERAL MEETING OF  
PLUMBERS SUPPLIES CO-OPERATIVE LIMITED  
HELD IN PERSON AND VIA TELECONFERENCE FROM  
SILVERWATER HOTEL 214 SILVERWATER ROAD SILVERWATER NSW 2128  
ON THURSDAY 31 OCTOBER 2024**

- Commencement:** 6:10pm
- Meeting Quorum:** The Chairman (Mr. A. Murphy) welcomed members to the 2024 Annual General Meeting of Plumbers Supplies Co-operative Limited (PSC). Mr. A. Murphy opened the meeting and stated that a quorum was present.
- Attendees:** As per attendance records.
- Standing Orders:** The Chairman referred to Rule 38 of the Co-operative's Rules regarding standing orders, which were adopted.
- Apologies:** Nil.
- Board Introduction:** Mr. A. Murphy introduced members to PSC's Board of Directors.
- Minutes:** The minutes of the Annual General Meeting held on 26<sup>th</sup> October 2023 were confirmed as a true record.
- Confirmation of the Minutes was moved and seconded by members present – No objections
  - Minutes confirmed
- Chairman's Address:** Mr. A. Murphy read the Chairman's Report (refer 2024 Annual Report).
- Financial Statements and Reports:** A copy of the Directors' Report, Auditor's Report and Financial Statements and Notes thereto for the year ended 30 June 2024 had been circulated to Members.
- The Chairman then asked for the adoption of the audited financial report including Directors' Report thereon.
- Acceptance of the Reports was moved and seconded by members present – No objections
  - Reports adopted
- Dividends and Rebates:** Given the tough trading conditions over the past twelve months and the loss for the 2024 financial year, the recommendation of the Board of Directors for dividends and rebates was as follows:
- “No Dividend on shares and no Rebate on Category One payments be paid for the financial year ended 30 June 2024.”
- Approval of this recommendation was moved and seconded by members present – No objections
  - Board recommendation approved

**Election of Directors:** The Chairman read the Returning Officer's (Mr. D. Chahrozian) report on the 2024 Election of Directors. This report stated that Mr. A. Murphy and Mr. Cameron Muir were validly elected as New South Wales Member Director and Victorian Member Director respectively, for a period of three years.

This report referred to Rule 49(bb) of the Co-operative's Rules, which states that if the number of candidates equals the number of vacant positions, then the eligible candidates will be declared elected as directors at the AGM.

Accordingly, the Co-operative was not required to hold a postal ballot for the election of new directors under Rule 49(bb).

**Directors' Remuneration:**

The Chairman stated that pursuant to Rule 53 of the Co-operative's Rules, Directors may only be remunerated for their services by way of fees, concessions and other benefits which are approved at a general meeting of the Co-operative.

The Chairman put the following ordinary resolution:

"The total directors' annual remuneration remains at \$327,750 plus statutory entitlements and reimbursement of other properly incurred expenses, as per Rule 53 of the Co-operative's Rules and Clause 203 of the Co-operatives National Law, such as to attend meetings, trade shows, branch WHS visits, conferences, training and other events that the Board determines to be in the best interests of the Co-operative shall be in addition to the annual remuneration."

- Approval of the motion relating to Board remuneration was moved and seconded by members present – No objections
- Motion approved

**Adoption of Special Resolution – Amendment of Rules in relation to Member shareholding value cap:**

The Chairman stated that the intention of the special resolution is to remove the existing \$400,000 member shareholding value cap. Rather than maintaining an arbitrary dollar value cap, the change brings the Co-operative's Rules in line with the Co-operatives National Law. Once the special resolution is passed, the maximum permissible level of share interest in PSC will be 20% of the nominal value of the issued share capital of PSC, without the previous value cap.

The Chairman put the following special resolution:

***Proposed Amendment to Rule 40A(g):***

That the Rule 40A(g) of the Co-operative's Rules be amended as follows:  
The words "*the maximum permissible level of share interest in the Cooperative*" shall be deleted and replaced with "*the maximum permissible level of share interest in the Co-operative, provided for by section 363 of the Act.*"

**Proposed Amendment to Rule 14(f):**

That the Rule 14(f) of the Co-operative's Rules be amended as follows:

*The words "A member must not hold shares exceeding the nominal value of \$400,000 or shares representing more than 20% of the nominal value of the issued share capital (whichever amount is the lesser) of the Co-operative except in accordance with section 363 of the Act." shall be deleted and replaced with "A member must not hold shares representing more than 20% of the nominal value of the issued share capital of the Co-operative except in accordance with section 363 of the Act."*

- The Special Resolution required a vote of two-thirds of members attending and voting at the Annual General Meeting in person or by Proxy.
- Approval of the motion relating to the special resolution was moved by 22 out of 24 members present.
- Motion approved

**CEO's Address:**

Mr. W. Friderich addressed the members and raised the following items:

- reinforced the Co-op's mission, to ensure competitive and profitable supply access for plumbers;
- highlighted the financial results for FY24, noting sales of \$141 million and a \$1.8 million loss after income tax;
- shared that in the last three years the Co-operative has returned \$8.4 million in settlement discounts, dividends, and rebates to Members;
- noted that FY24 saw a record number of shareholder redemptions, exceeding \$2.8 million, as several members retired or faced economic difficulties;
- introduced the Co-op's front-of-wall bathroom products and accessories business BATHROOM & KITCHEN PRODUCTS AUSTRALIA P/L (trading as VELLANO);
- emphasised the concurrent information technology projects reshaping the Co-op, such as new ERP system (FRAMEWORKS), new B2B website (ADOBE COMMERCE), new payroll system (DEFINITIV), and exploring AI productivity tools;
- highlighted the initiatives the leadership team are working on to modernise the Co-operative (competent and well-trained employees, stock availability, operational efficiency and consistency, focus on member needs, services and sales);
- made a commitment to members that they will remain at the forefront of everything the Co-operative does;
- encouraged members to continue to support and provide input to the Co-op;
- thanked all employees across the Co-operative for their dedication and hard work.

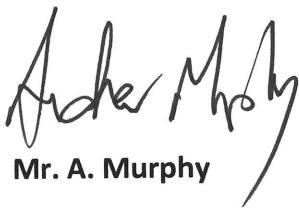
**General Business:** There were no items of business that were referred to the Annual General Meeting.

The Chairman provided members with the opportunity to ask questions.

Members raised a number of questions which were answered by the Chairman and CEO.

**Closure:** The Chairman thanked members for their loyalty and attendance. The meeting was declared closed at 7.20pm.

Signed as a correct record:



**Mr. A. Murphy**  
Chairman



**Mr. D. Chahrozian**  
Company Secretary

**Date:** 5 December 2024