

New potential candidate for Fletcher Building chair emerges



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The \$3bn dual-listed Fletcher Building is the dominant building materials provider in New Zealand.

Fletcher Building is expected to be among the companies facing some of the greatest investor scrutiny this annual general meeting season, as a new name as a potential chairman candidate surfaces.

Sources this week were pointing to the former boss of telecommunications company Spark, Simon Moutter, as one of the names being put forward by shareholders as a preferred chairman, but Mr Moutter is not thought to be able to or interested in taking on the position.

Mr Moutter is currently the chairman of the New Zealand's government social housing department, Kainga Ora Homes and Communities, to which he has a commitment through until at least 2027.

Given his position, taking on the Fletcher Building chairman role would create conflicts of interest.

Earlier, Auckland Airport director Mark Cairns was in the running and, while he was earlier ruled out, some believe he may again be approached, while existing director Cathy Quinn was believed to have been an internal candidate.

The \$3bn dual-listed Australia and New Zealand group is the dominant building materials provider across the Tasman with Placemakers, Golden Bay Cement and a valuable insulation business. It

derives a large portion of its earnings from Australian building product sales from brands such as Formica, and residential development in New Zealand.

The group, which holds its annual shareholder meeting on Tuesday, has been in the spotlight for losses, profit downgrades, cost blowouts on construction projects and leaks with its Iplex pipes amid a weak New Zealand economy. Only weeks ago it embarked on a highly discounted [\\$NZ700m \(\\$634m\) equity raising after earlier in the year ruling out a move to tap the market when its share price was higher.](#)

Existing director Cathy Quinn is up for re-election.

Tony Dragicevich was appointed as a director this year, and Andrew Reding is the newly appointed chief executive.

Most of Fletcher's directors have left following the announced departure of former boss Ross Taylor and chair Bruce Hassall, and with boardroom ructions following a surprise downgrade and bad half-year result delivered in February.

In a research note, analysts at Macquarie said they were expecting an update on 2025 financial year guidance for Fletcher's earnings before interest and tax growth and expected it to be about 5 per cent, the mid-point of analysts consensus. The stock has underperformed the NZ listed market by 11 per cent since 2009, despite supportive interest rates.



BRIDGET CARTER DATAROOM EDITOR

Bridget Carter has worked as a writer and editor for The Australian's DataRoom column since it was launched in 2013, focusing on capital markets, mergers and acquisitions, private equity and investment banking. She has been a journalist for more than 18 years, covering a broad range of events and topics, including high profile court cases and crimes, natural disasters, social issues and company news.

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