

31st July 2023

FINANCIAL REVIEW ARTICLE

On Friday 28th July 2023 the Financial Review printed an article relating to the housing industry in which I was quoted as saying.

“We are starting to pick ourselves up”, “Builders are starting to finish off the pipelines they had going. Over the next 2-3 months I expect all that pipeline to disappear and I expect builders then will try to replace their pipeline with new business. The whole thing’s going to fall off a cliff.”

My comments in the article related to the industry in general and did not relate to Tamawood Limited, and the segments of the market in which we operate. Tamawood does not have a backlog of contracts or issues with contracts being cancelled, in fact the Board is very pleased with the level of enquiry and sales we are experiencing and reiterate our release of the 5th June 2023.

UNEXPECTED INCREASE IN ENQUIRY AND PRELIMINARY FEES

The month of May has seen an increase in appointment numbers and deposits back to the levels experienced prior to the start of the Covid pandemic. Appointment numbers have increased over 200% compared with the corresponding period 2022 and average number of preliminary fees received from new customers for the past 3 months, to the end of May, have increased approximately 34% compared with the corresponding period FY22. This is likely to be reflected in FY24 first half results.

The Board remains optimistic that the second half FY23 result will see improvement on the first half FY23 result.

The Board is confident this improvement is a result of:

- Maintaining our Debt Free status.
- ISO 9001 certified Quality Assurance system.
- Securing lower cost, quality products with the purchase of AsitVita. Two additional lines have been sourced since the purchase and further research is underway on three more products which to date have been purchased locally.
- Continued engagement with our software supplier SEnterpriSYS allowing us to adjust prices early to reduce the negative effects of price rises on our margins.

Authorised by:
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Chairman