

GROUP INTERNAL COMMUNICATIONS



Rob Barclay, CEO

“Welcome to the first NTG communication of 2021.

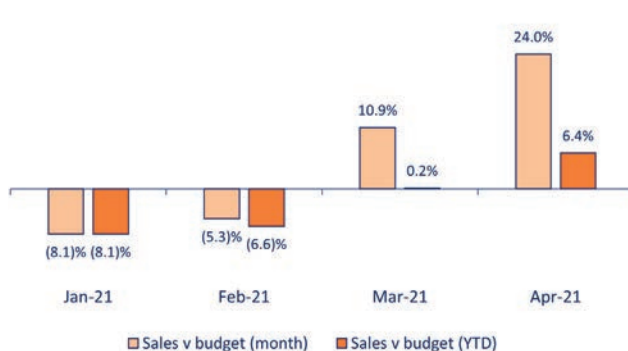
To start, I wanted to take this opportunity to again thank everyone for their hard work and dedication over the last year. I was very proud of the extra effort from everyone in difficult circumstances. Hopefully we are through the worst and can look forward to a better year both for the business and our families.

If we learnt anything out of the pandemic it's the importance of communication and keeping everybody in the business up to speed. This newsletter is aimed at giving a snapshot of the key activities and highlights across the group and our plan is to produce this quarterly. As always I'd welcome any feedback or thoughts to help improve this communication going forward.”

Market/Performance

After a sluggish start this year driven by the UK wide lockdown, March and April sales activity has increased significantly across all our business units.

The improving weather, the gradual unlocking of the COVID restrictions and the general industry shift to outdoor jobs, has been a big driver in sales bouncing back from all types of customers.



With holidays outside the UK restricted and people spending more time in their gardens this is expected to result in much higher demand for landscaping products. To support this we also developed the first branch-wide landscaping campaign with brochures, posters and material sent to all branches. We are in a strong position to take advantage of this trend over the coming months.



The UK New Build housing market has also been very active and sales into this sector across our distribution and NTS businesses have been strong and look set to continue as we go into May and June.

This spike in sales has however come with a few challenges attached. Market price increases and supply shortages on many products. We are not alone, this is an industry wide problem and unfortunately here for some time yet.

I don't underestimate how difficult, time consuming and frustrating this is to manage at branch level, and I would like to thank everybody for their patience and resilience as we navigate through this period.

Our outlook for 2021 is positive across all our businesses as we look to further expand and grow.

Got some feedback on the newsletter? Please email: marketing@nationaltimbergroup.com

Focus on Thornbridge Anniesland

All of our new branches have had a very successful first year – growing strongly despite difficult conditions. The Thornbridge Anniesland site (just outside Glasgow) is a great example of this. Anniesland branch was one of the last branches to re-open following lockdown in March last year, but came back strong and despite operating from a small 15,000 sq ft unit with a tiny yard, and having effectively only traded for 16 months, is now exceeding its 'Year 4' forecast numbers.



Intelligent Door Solutions Opens Doors

Intelligent Door Solutions is a new specialist division launching in May with David Oldfield as Commercial Director and Todd Altman joining us as Managing Director. The brand's vision is to lead the timber door set market, with high quality, safety-certified products and a knowledgeable team. Intelligent Door Solutions also brings Thornaby, Thornbridge, Arnold Laver and Rembrand joinery brands under one name.



Hymor Timber Ltd joins National Timber Group

A warm welcome to all our new colleagues at Hymor who have recently joined National Timber Group. Hymor is an independent timber merchant specialising in hardwood and modified timber located in Stoke on Trent. Employing 28 people, the Hymor business has extensive processing facilities and will report into the Arnold Laver management structure.

Highlights from Scotland...



Record Sales Month In Branches in March

Despite the ongoing restrictions on building work in Scotland affecting Thornbridge and Rembrandt's core customers (only emergency works can be carried out in people's homes), fourteen branches have had an all-time record sales month

Among the record breakers were Ayr branch, which relocated at the end of 2019 and our two newest depots at Edinburgh Sighthill and Anniesland.



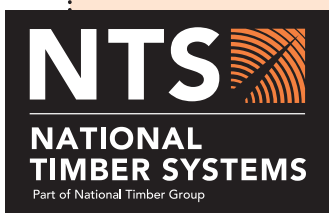
Irvine

Motherwell

Business Support Team Gets a Boost

Marc McGreevy and Chris Lockhart have both moved to national roles, supporting Irene Robertson in the Business Support Team. The BST support the branches with correct processes, keeping data up to date, cash and stock management and particularly in sharing best practice from around the group to help the business operate more efficiently and effectively.

National Timber Systems – A new specialist division



Over the last 6 months, the engineered wood products (Trusses, Joists, Spandrels, Gable Panels & Roof Systems) produced by NYTimber and Arnold

Laver engineered timber divisions, have been combined into a specialist division – National Timber Systems. A new brand identity has been created, with a new website now up and running. At the end of last year, investment was made in the Brompton on Swale (Catterick) manufacturing site to increase joist production to over 2 million metres per year!

Senior Appointments

3 Appointments Bolster the Sales Team in Scotland - **Ricky McGarry** joined as Sales Director, **David Brown** promoted to National Account Director, **Fraser McNicol** was promoted to Regional Sales Director, West Scotland.

NYT Roof Team (part of National Timber Systems) is boosted by the appointment of **Philip Carney** as National Technical & Commercial Manager

In Arnold Laver, the sales team is strengthened with **Mark Griffiths** joining as Commercial Sales Director and several internal promotions: **John Gabbat** promoted to Regional Director, North Central Region; **Tom Andrews** promoted to Regional Director, North East Region; **Terry Palmer** promoted to Regional Director, Central & South West Region; **Dean Rolls** promoted to Regional Director, London & South East Region. The appointment of the Regional Directors has resulted in several new General Branch Managers being introduced: **Sonia Wisser** at Sheffield Mosborough; **Neil Wyatt** at Oldbury and **Philip Rix** has joined the business to manage Reading.

Todd Altman is the new Managing Director of Intelligent Door Solutions with **David Oldfield** changing role to Commercial Director, **Joanne Nixon** becomes Contract Manager, **David Arnott** joins as Business Improvement Manager Thornaby and **Sally Fisher** takes the role of Door Category Manager.

Highlights from Arnold Laver...

Arnold Laver



Borehamwood – The Landscaping Centre!

The Arnold Laver Borehamwood branch has been working with Marketing to establish itself as the regional specialist for landscaping products. The branch team have worked with a local customer to construct a garden office inside the branch and kept their customers updated via social media. Marketing introduced a telemarketing agency to let local landscapers know about the branch and the products available.

Great Service in our Branches

Borehamwood

Employee - Ahmad Sengerwal
Branch Manager - Tony Hildreth
Customer: Georgia Barford

"I think Ahmad (Borehamwood) was genuinely the most helpful person in the whole entire world. Couldn't have done any more for me. As a sort of newbie timber purchaser he really did sort me out and even help me get it in the car. Great value for money too! Saved a fortune by not going to B&Q or Wickes. Highly recommend!"



Croyden

Employee - Akhil Vadher
Branch Manager – Tom Peters
Customer: Isaiah Brathwaite

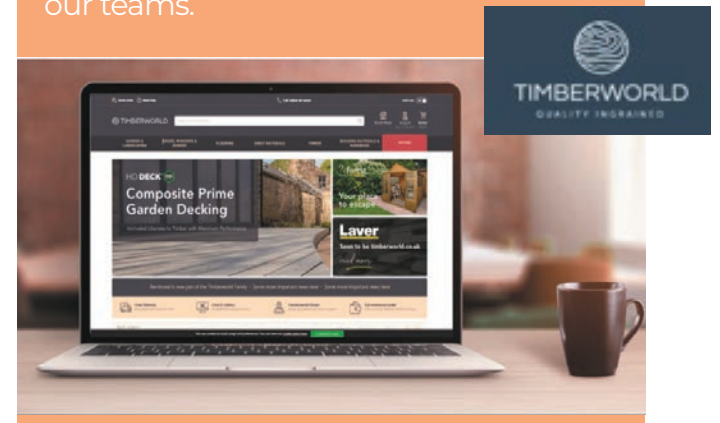
"I recently started a building project and discovered that there was a timber merchant called Arnold Laver next door. I have since purchased all my timber from them. Tom the manager is very knowledgeable in the trade and also Akhil who usually serves me always give me a first class service. I have also met the delivery man and the yard man so all in all a very welcoming friendly bunch of lads. The quality of the timber is very good and competitively priced...cheers"



New Timberworld Website launches

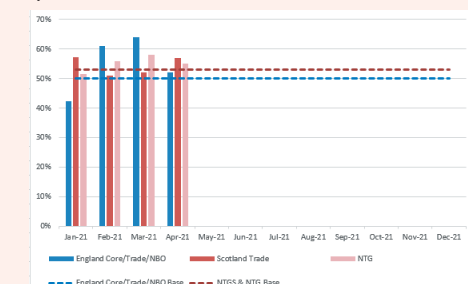
Developed over a very short 16 week period - our new website is now here! www.timberworld.co.uk

Customers can now find products faster, see product availability at a branch and complete their order quicker. Existing sites of Thornbridge, Rembrandt and Arnold Laver will soon become part of Timberworld. Orders will now be sent automatically to the nearest branch saving time for both the customer and our teams.



Customer Service – A Key Priority

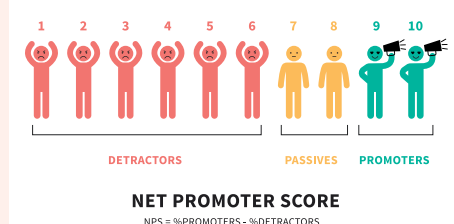
As you will remember from the last message in December, customer service is a key priority in 2021. To help us identify problems and fix them quickly, as well as highlight things we do well, we ask our customers for feedback via a survey we send out. The results from this survey form the Net Promoter Score (NPS).



NPS is a way of measuring how happy customers are with us and is used by many businesses. The customers are emailed after an order and give a mark from 1-10 on their experience with 9-10 being the best. This could be their experience of how they were greeted in the branch, if the phone was answered promptly, what the pricing was like, if they were able to find the product they wanted and how their order was delivered.

Customers who score us from 9-10 are likely to tell other people positive things (Promoters). Those customers who give us a score from 1-6 (Detractors) are likely to say negative things to other people. The people that score us 7-8 are sitting on the fence and are called Passives. The Net Promoter Score measures the difference between these 3 groups. Scores of 50 and above are very good.

The National Timber Group Score was 56 for April and has been improving since the start of the year.



Got some feedback on the newsletter? Please email: marketing@nationaltimbergroup.com