

BUSINESS

Tubi tanks on back of year of bad news

ASX-listed pipe maker Tubi has collapsed into voluntary administration after suspending its listing in recent weeks.

David Ross, The Australian Business Network

 Subscriber only | April 23, 2021 9:04pm



 Tubi Systems's Marcello Russo standing in front of a portable tube maker. Picture: GLENN HUNT

ASX-listed Tubi Group has appointed PricewaterhouseCoopers after the industrial pipe specialist fell into voluntary administration on Friday,

PwC Australia's Phillip Carter and Daniel Walley will jointly oversee the company.

This follows the suspension from quotation of Tubi shares on April 8 after torrid months of bad news, coupled with a spill of the board and a savage hit to revenues in the United States.

The administration does not capture Tubi USA or Tubi NZ, where operations will continue as normal.

In a market update, the Sydney-based Tubi said the voluntary administrators were "assessing the assets and the business of the company and its subsidiaries" in overseas markets.

Tubi appears to have been beset by ructions both at board level and operationally, where the impact of the COVID-19 pandemic coupled with unprecedented cold weather had slashed sales in the United States to 70-80 per cent below expected levels.

The collapse comes after chairman Simon Bird, and directors Brent Emmet and Tony Willsallen resigned from the company on April 1.

In a market update in April, Tubi said the loss of the board members followed frustrations of the managing director who had been unable to "reach a constructive agreement on strategy and financing".

In April the company had floated plans to appoint "a refreshed and motivated board" as part of a bid to get the business back on track.

At the time the business had stood down all plants and key personnel amid an inability to commit to new sales contracts.

Tubi had also been hit by the loss of the lease on Plant 5003, after the owner Hopetoun Pty Ltd advised the business it would likely sell the site.

The business, which started in 1972, is built around the supply of high density Polyethylene pressure and non-pressure pipes, PVC and film extrusions.

Tubi in its most recent market results had posted a \$7.8m loss after tax for the six months to December last year, noting at the time it was working to finalise an interim financial report and audit review during March.

Originally published as [Tubi enters administration](#)