

**Temple & Webster Group Ltd**  
**Appendix 4D**  
**ABN 69 608 595 660**

**Financial half-year ended 31 December 2024**  
**Results for announcement to the market**

<b>Half-year ended</b>	<b>Consolidated 31/12/2024 \$'000</b>	<b>Consolidated 31/12/2023 \$'000</b>	<b>Change</b>
Revenues from ordinary activities	313,710	253,827	24%
Profit before tax for the half-year attributable to the owners of Temple & Webster Group Ltd	12,466	6,428	94%
Profit from ordinary activities after tax attributable to the owners of Temple & Webster Group Ltd	8,980	4,125	118%
Net profit after tax for the half-year attributable to the owners of Temple & Webster Group Ltd	8,980	4,125	118%

Revenue for H1 FY25 of \$313.7m was up 24% vs the prior comparison period ('pcp'). In the same period, profit before tax increased by 94% to \$12.5m and profit after tax increased by 118% to \$9.0m.

EBITDA for H1 FY25 was \$13.2m and EBITDA margin was 4.2%.

Earnings before interest, tax, depreciation and amortisation ('EBITDA') is a non IFRS measure and is the primary reporting measure used by the Chief Operating Decision-Making bodies, being the Chief Executive Officer, Management and the Board of Directors, for the purpose of assessing the performance of the Group. The below table includes the reconciliation of underlying EBITDA to statutory profit before tax:

	<b>Consolidated 31/12/2024 \$'000</b>	<b>Consolidated 31/12/2023 \$'000</b>
Profit before tax	12,466	6,428
Adjustments		
Add: Depreciation and amortisation	2,920	2,895
Add: Finance costs	547	613
Less: Interest income	(2,765)	(2,463)
EBITDA	13,168	7,473

Further commentary on the financial results can be found in the Group's half-year results presentation lodged with the ASX on 13 February 2025.

There were no dividends paid, recommended or declared during the current financial period. The Group did not put a dividend reinvestment plan in place in the current financial half-year.

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The net tangible assets per ordinary share amount is calculated based on 118,818,195 ordinary shares on issue as at 31 December 2024 and 118,758,074 on issue as at 31 December 2023 and is set out below:

	<b>31/12/2024</b> <b>Cents<sup>(1)</sup></b>	<b>31/12/2023</b> <b>Cents<sup>(1)</sup></b>
Net tangible assets per ordinary security	81.30	64.25

<sup>(1)</sup> Consistent with the Australian Security & Investment Commission interpretation, the Right-of-use asset (AASB 16) and Right of return assets (AASB 15) are intangible assets, and therefore have been excluded from Net tangible assets.

The Group holds 33% of shares in an associate, Renovai, Inc which has been fully impaired.

For more detailed information, please refer to the attached Interim Report.

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

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Temple & Webster  
Group Ltd

**ABN 69 608 595 660**

**Interim Report  
Half-Year Ended  
31 December 2024**

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**Temple & Webster Group Ltd**  
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**31 December 2024**

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# Temple & Webster Group Ltd

## Directors' report

### 31 December 2024

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Temple & Webster Group Ltd (referred to hereafter as the 'Company' or 'Parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

#### Directors

The following persons were directors of Temple & Webster Group Ltd during the half-year and until the date of this report, unless otherwise stated:

Stephen Heath  
Conrad Yiu  
Mark Coulter  
Belinda Rowe  
Melinda Snowden

#### Principal activities

Temple & Webster is Australia's leading online retailer of furniture and homewares. Originally founded in 2011, Temple & Webster now has over 200,000 products on sale from hundreds of suppliers. The business runs an innovative drop-shipping model whereby products are sent directly to customers by suppliers, enabling faster delivery times and reducing the need to hold inventory, allowing for a larger product range. The drop ship range is complemented by a private label range which is sourced directly by Temple & Webster from overseas suppliers. To achieve its ambition of having the best product range for customers, Temple & Webster offers an exclusive range of products, which grew to 45% of total revenue during the current half-year. The business also offers customers a growing range of home improvement products, as well as Trade & Commercial solutions for business customers.

Temple & Webster Group Limited's registered office and principal place of business is Building 2, 1-7 Unwins Bridge Road, St Peters, Sydney, Australia, and the Company is listed on the Australian Securities Exchange ('ASX') under the code TPW.

#### Operating and financial review

Key operating and financial metrics for the half-year ended 31 December 2024 include:

- H1 FY25 revenue of \$313.7m was up 24% vs the prior corresponding period ('pcp'), driven by record active customers at -1.2m (with continued growth across both new and repeat customers) and an increase in revenue per active customer by 2% to \$470;
- Gross margin for H1 FY25 increased by 26% vs pcp, increasing as a % of revenue by 68 bps, as a result of a mix shift towards higher margin categories (including private label products) and favourable foreign exchange rate movement, offset by greater promotional activity to drive market share gains;
- Other operating expenses reduced as a percentage of revenue in H1 FY25 as a result of measured cost-base investments being outpaced by revenue growth, and efficiency gains as a result of generative AI;
- In the same period, profit before tax increased by 94% vs pcp to \$12.5m, and profit after tax increased by 118% vs pcp to \$9.0m;
- EBITDA for H1 FY25 was \$13.2m, representing an EBITDA margin of 4.2%;
- Cash balance of \$139.3m<sup>1</sup> as at 31 December 2024, demonstrating that the Group is well capitalised and fully funded to continue executing on its growth plans;
- The Group generated \$32.5m of free cash flow for H1 FY25 (operating cash flow after payments for plant and equipment, intangible assets and lease liabilities), demonstrating the strength of Group's asset light / negative working capital model; and
- The H1 FY25 results highlight the value of the Group's offering, which continues to resonate strongly with customers, as demonstrated by the Group's market share growing by 23% vs pcp to 2.9%<sup>2</sup>. This growth in market share was achieved whilst maintaining the Group's high levels of customer satisfaction, driven by product range, value proposition and service.

<sup>1</sup> The comparative information has been reclassified. Refer to note 2 in the notes to the financial statements for further details.

<sup>2</sup> Source: ABS Retail Trade, Australia (December 2024).

# Temple & Webster Group Ltd

## Directors' report

### 31 December 2024

#### Strategic priority update

In August 2023, TPW outlined a strategy to target annual sales of \$1b+ within 3-5 years, with a focus on five key strategic priorities, being:

- Becoming the top-of-mind brand in the furniture and homewares category;
- Generating majority of revenue from exclusive products;
- Developing market-leading capabilities around data, AI and technology;
- Lowering the Group's fixed costs % to obtain a price and margin advantage; and
- Building scale through adjacent growth plays.

The Group has been tracking to plan across all of these strategic priorities in H1 FY25:

- Early results of brand investment yielding promising outcomes, with branded searches growing +24% vs pcp;
- Exclusive products (both private label and drop-ship) now represent ~45% of total revenue in H1 FY25, and ~78% of Group's top 500 selling products were exclusive to the Group during the reporting period;
- AI tools across Group's customer care function now handle 60%+ of all customer pre- / post-sales support interactions, leading to a reduction in care costs of over 50% since H1 FY23; AI calculated shipping prices improved Group's revenue per visit by ~3%, and also increased shipping price accuracy by ~17% vs pcp;
- Fixed costs as a percentage of revenue decreased vs pcp, demonstrating continued operating discipline as the business scales; and
- Both of the Group's longer-term growth plays, home improvement and Trade & Commercial, delivered combined revenue growth in-line with the core furniture and homewares business during the reporting period; Home improvement in particular achieved \$20m in revenue, growing +41% vs pcp, with exclusive products accounting for 24% of home improvement sales during the period.

The Group remains committed to achieving its mid-term goal of \$1b+ in annual revenue.

#### Reconciliation of underlying EBITDA to statutory profit before tax:

Earnings before interest, tax, depreciation and amortisation ('EBITDA') is a non IFRS measure and is the primary reporting measure used by the Chief Operating Decision-Making bodies, being the Chief Executive Officer, Management and the Board of Directors, for the purpose of assessing the performance of the Group

	<b>Consolidated 31/12/2024 \$'000</b>	<b>Consolidated 31/12/2023 \$'000</b>
Profit before tax	12,466	6,428
Adjustments		
Add: Depreciation and amortisation	2,920	2,895
Add: Finance costs	547	613
Less: Interest income	(2,765)	(2,463)
<b>EBITDA</b>	<b>13,168</b>	<b>7,473</b>

Further commentary on the Group's operational and financial results for H1 FY25 can be found in the Group's half-year results presentation, lodged with the ASX on 13 February 2025.

#### Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission ('ASIC'), relating to "rounding-off". Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

On behalf of the Directors.



**Stephen Heath**  
Chair

13 February 2025  
Sydney



**Shape the future  
with confidence**

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## Auditor's independence declaration to the directors of Temple & Webster Group Ltd

As lead auditor for the review of the half-year financial report of Temple & Webster Group Ltd for the half-year ended 31 December 2024, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Temple & Webster Group Ltd and the entities it controlled during the financial period.

*Ernst & Young*

Ernst & Young

*Rachel Rudman*

Rachel Rudman  
Partner  
13 February 2025

**Temple & Webster Group Ltd**  
**Statement of profit or loss and other comprehensive income**  
**For the half-year ended 31 December 2024**

	Note	Consolidated 31/12/2024 \$'000	Consolidated 31/12/2023 \$'000
<b>Revenue</b>			
Revenue from contracts with customers	4	313,710	253,827
Cost of goods sold		(207,156)	(169,330)
Gross margin		106,554	84,497
Interest income	5	2,765	2,463
<b>Expenses</b>			
Warehouse		(5,021)	(3,743)
Marketing		(50,188)	(40,834)
Employee benefits		(25,551)	(21,087)
Merchant fees		(3,588)	(2,681)
Depreciation and amortisation		(2,920)	(2,895)
Finance costs		(547)	(613)
Share of loss of an associate		-	(467)
Other expenses	6	(9,038)	(8,212)
<b>Profit before tax</b>		12,466	6,428
Income tax expense	7	(3,486)	(2,303)
<b>Profit after tax expense for the half-year attributable to the owners of Temple &amp; Webster Group Ltd</b>		8,980	4,125
<b>Other comprehensive income</b>			
Other comprehensive income for the half-year, net of tax		-	-
<b>Total comprehensive income for the half-year attributable to the owners of Temple &amp; Webster Group Ltd</b>		8,980	4,125
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share		7.57	3.45
Diluted earnings per share		7.20	3.30

*The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

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**Temple & Webster Group Ltd**  
**Statement of financial position**  
**For the half-year ended 31 December 2024**

	Note	Consolidated 31/12/2024 \$'000	Consolidated 30/06/2024 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents <sup>3</sup>	8	139,303	107,152
Trade and other receivables	9	2,367	10,554
Inventories	10	28,302	26,466
Other current assets	11	3,757	4,063
Other financial assets – current	15	2,103	202
<b>Total current assets</b>		<b>175,832</b>	<b>148,437</b>
<b>Non-current assets</b>			
Right-of-use assets	12	19,272	21,068
Property, plant and equipment	13	5,784	5,993
Intangibles	14	8,256	8,204
Deferred tax asset		29,273	22,774
Other non-current assets		10	20
<b>Total non-current assets</b>		<b>62,595</b>	<b>58,059</b>
<b>Total assets</b>		<b>238,427</b>	<b>206,496</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	16	60,340	47,487
Lease liabilities		4,432	4,286
Income tax payable		1,650	825
Employee benefits		2,701	2,611
Provisions		3,787	3,460
Deferred revenue		22,647	21,156
<b>Total current liabilities</b>		<b>95,557</b>	<b>79,825</b>
<b>Non-current liabilities</b>			
Employee benefits		734	776
Lease liabilities		16,247	18,037
Make good provision		1,369	1,335
<b>Total non-current liabilities</b>		<b>18,350</b>	<b>20,148</b>
<b>Total liabilities</b>		<b>113,907</b>	<b>99,973</b>
<b>Net assets</b>		<b>124,520</b>	<b>106,523</b>
<b>Equity</b>			
Contributed capital	17	105,777	101,944
Reserves		23,846	18,662
Accumulated losses		(5,103)	(14,083)
<b>Total equity</b>		<b>124,520</b>	<b>106,523</b>

*The above statement of financial position should be read in conjunction with the accompanying notes*

<sup>3</sup> Cash and cash equivalents included cash-in-transit of \$1,963,000 (30/06/2024: \$9,201,000) which was reclassified to trade and other receivables. This was a change in presentation during the half-year ended 31 December 2024. The comparative prior year balances were also updated in line with this change in presentation. Refer to note 2 in notes to the consolidated financial statements.

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**Temple & Webster Group Ltd**  
**Statement of changes in equity**  
**For the half-year ended 31 December 2024**

<b>Consolidated</b>	<b>Contributed capital \$'000</b>	<b>Treasury shares \$'000</b>	<b>Reserves \$'000</b>	<b>Accumulated losses \$'000</b>	<b>Total equity \$'000</b>
Balance at 1 July 2023	114,472	-	9,128	(15,869)	107,731
Profit after tax for the half-year	-	-	-	4,125	4,125
Other comprehensive income for the half-year, net of tax	-	-	-	-	-
Total comprehensive income for the half-year	-	-	-	4,125	4,125
Share-based payments (note 18)	-	-	1,617	-	1,617
Tax impact on share-based payments	-	-	4,463	-	4,463
Share buy-back (note 17)	(10,013)	-	-	-	(10,013)
<b>Balance at 31 December 2023</b>	<b>104,459</b>	<b>-</b>	<b>15,208</b>	<b>(11,744)</b>	<b>107,923</b>

<b>Consolidated</b>	<b>Contributed capital \$'000</b>	<b>Treasury shares \$'000</b>	<b>Reserves \$'000</b>	<b>Accumulated losses \$'000</b>	<b>Total equity \$'000</b>
Balance at 1 July 2024	101,944	-	18,662	(14,083)	106,523
Profit after tax for the half-year	-	-	-	8,980	8,980
Other comprehensive income for the half-year, net of tax	-	-	-	-	-
Total comprehensive income for the half-year	-	-	-	8,980	8,980
Exercise of options	361	-	-	-	361
Share-based payments (note 18)	-	-	2,466	-	2,466
Tax impact on share-based payments	-	-	6,884	-	6,884
Share buy-back (note 17)	(684)	-	-	-	(684)
Transaction costs	-	-	(10)	-	(10)
Issue of shares to Employee Share Trust	4,156	(4,156)	-	-	-
Shares transferred to employees under LTVR scheme	-	4,156	(4,156)	-	-
<b>Balance at 31 December 2024</b>	<b>105,777</b>	<b>-</b>	<b>23,846</b>	<b>(5,103)</b>	<b>124,520</b>

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

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**Temple & Webster Group Ltd**  
**Statement of cash flows**  
**For the half-year ended 31 December 2024**

	Note	Consolidated 31/12/2024 \$'000	Consolidated 31/12/2023 \$'000
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		354,525	284,481
Payments to suppliers and employees (inclusive of GST)		(319,403)	(263,424)
Interest received		2,765	2,463
Interest and other finance costs paid		(547)	(613)
Income tax paid		(2,276)	(1,001)
		<hr/>	<hr/>
Net cash from operating activities		35,064	21,906
<b>Cash flows from investing activities</b>			
Payment for other non-current financial assets		-	(2,428)
Payments for property, plant and equipment	13	(270)	(56)
Payments for intangibles	14	(192)	(144)
Proceeds from sale of property, plant and equipment		3	-
		<hr/>	<hr/>
Net cash (used in) investing activities		(459)	(2,628)
<b>Cash flows from financing activities</b>			
Payment of principal portion of lease liabilities		(2,121)	(1,580)
Payments for share buy-back		(684)	(10,013)
Proceeds from issue of shares		361	-
Transaction costs on issue of shares		(10)	-
		<hr/>	<hr/>
Net cash from financing activities		(2,454)	(11,593)
		<hr/>	<hr/>
Net increase in cash and cash equivalents		32,151	7,685
Cash and cash equivalents at the beginning of the financial half-year <sup>4</sup>		107,152	101,664
		<hr/>	<hr/>
Cash and cash equivalents at the end of the financial half-year <sup>4</sup>		139,303	109,349
		<hr/>	<hr/>

*The above statement of cash flows should be read in conjunction with the accompanying notes*

<sup>4</sup> Cash and cash equivalents included cash-in-transit of \$1,963,000 (30/06/2024: \$9,201,000) which was reclassified to trade and other receivables. This was a change in presentation during the half-year ended 31 December 2024. The comparative prior year balances were also updated in line with this change in presentation. Refer to note 2 in notes to the consolidated financial statements.

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# Temple & Webster Group Ltd

## Notes to the financial statements

### 31 December 2024

#### Note 1. General information

The interim consolidated financial statements cover Temple & Webster Group Ltd (referred to as 'Company' or 'Parent entity') as a Group consisting of Temple & Webster Group Ltd and the entities it controlled at the end of, or during, the half-year (collectively referred to in these financial statements as the 'Group'). The financial statements are presented in Australian dollars, which is Temple & Webster Group Ltd's functional and presentation currency.

Temple & Webster Group Ltd is a for-profit company incorporated and domiciled in Australia whose shares are publicly traded on the Australian Stock Exchange. The Group's principal place of business is:

Building 2 / 1-7 Unwins Bridge Road  
St Peters, NSW 2044

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The consolidated financial statements were authorised for issue, in accordance with a resolution of directors, on 13 February 2025. The directors have the power to amend and reissue the consolidated financial statements.

#### Note 2. Material accounting policies

These general-purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general-purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

All accounting policies and methods of computation are consistent with those of the most recent annual financial statements.

#### Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

#### New, revised or amending Accounting Standards and Interpretations adopted

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 30 June 2024. Several amendments and interpretations apply for the first time in the current financial year, but do not have an impact on the interim condensed consolidated financial statements of the Group and are not expected to have any significant impact for the full financial year ending 30 June 2025. The group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

#### Changes in presentation

During the half-year ended 31 December 2024, there were certain changes in presentation to provide a clear, relevant, and comparable view of the Company's financial performance, facilitating informed decision-making by the users of these financial statements.

#### Cash-in-transit

Cash equivalents are defined as short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Typically, these investments have a short maturity period of three months or less from the date of acquisition. Instruments such as treasury bills, commercial paper, and money market funds often qualify as cash equivalents under these criteria. However, in the context of non-banking institutions, cash in transit or other similar items often fail to meet the requirements for classification as cash and cash equivalents.

**Temple & Webster Group Ltd**  
**Notes to the financial statements**  
**31 December 2024**

**Changes in presentation (continued)**

**Cash-in-transit (continued)**

As a result, during the current financial half-year, cash in transit has been reclassified from cash and cash equivalents to trade and other receivables in the statement of financial position.

The comparative information has been updated in line with the above change in presentation during the half-year ended 31 December 2024.

**Note 3. Operating segments**

*Identification of reportable operating segments*

The Group operates in one segment being the sale of furniture, homewares and home improvement products through its online platforms. This operating segment is based on the internal reports that are reviewed and used by the Board of directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The operating segment information is the same information as provided throughout the financial statements and therefore not duplicated. The information reported to the CODM is on at least a monthly basis.

**Note 4. Revenue from contracts with customers**

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	<b>Consolidated 31/12/2024 \$'000</b>	<b>Consolidated 31/12/2023 \$'000</b>
Sale of goods	312,970	253,290
Purchase protection	740	537
	<u>313,710</u>	<u>253,827</u>

**Note 5. Other income**

	<b>Consolidated 31/12/2024 \$'000</b>	<b>Consolidated 31/12/2023 \$'000</b>
Interest income	2,765	2,463
	<u>2,765</u>	<u>2,463</u>

**Note 6. Other expenses**

	<b>Consolidated 31/12/2024 \$'000</b>	<b>Consolidated 31/12/2023 \$'000</b>
Hosting and other IT	4,790	3,412
Consulting	2,331	2,311
Other expenses	1,917	2,489
	<u>9,038</u>	<u>8,212</u>

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**Temple & Webster Group Ltd**  
**Notes to the financial statements**  
**31 December 2024**

**Note 7. Income tax expense**

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the interim consolidated statement of profit or loss are:

	<b>Consolidated 31/12/2024 \$'000</b>	<b>Consolidated 31/12/2023 \$'000</b>
Current income tax expense	3,067	2,011
Deferred income tax benefit relating to origination and reversal of temporary differences	179	(832)
Deferred income tax benefit relating to (origination)/ utilisation of losses	240	1,124
	<b>3,486</b>	<b>2,303</b>

**Note 8. Current assets - cash and cash equivalents**

	<b>Consolidated 31/12/2024 \$'000</b>	<b>Consolidated 30/06/2024 \$'000</b>
Cash at bank <sup>5</sup>	68,108	37,192
Cash on deposits	71,195	69,960
	<b>139,303</b>	<b>107,152</b>

**Note 9. Current assets - trade and other receivables**

	<b>Consolidated 31/12/2024 \$'000</b>	<b>Consolidated 30/06/2024 \$'000</b>
Trade receivables	404	1,353
Other receivables <sup>5</sup>	1,963	9,201
	<b>2,367</b>	<b>10,554</b>

**Note 10. Current assets - inventories**

	<b>Consolidated 31/12/2024 \$'000</b>	<b>Consolidated 30/06/2024 \$'000</b>
Stock in transit	8,887	8,852
Stock on hand	20,195	19,026
Less: Provision for impairment	(780)	(1,412)
	<b>28,302</b>	<b>26,466</b>

<sup>5</sup> The comparative information has been reclassified. Refer to note 2 in notes to the financial statements for further details.

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**Temple & Webster Group Ltd**  
**Notes to the financial statements**  
**31 December 2024**

**Note 10. Current assets – inventories (continued)**

Inventory that was recognised as an expense in profit or loss amounted to \$159,093,000 for the half-year ended 31 December 2024 (31 December 2023: \$132,019,000).

Cost of goods sold also includes the shipping costs incurred on delivery of products to customers of \$48,063,000 (31 December 2023: \$37,311,000).

**Note 11. Current assets – other**

	<b>Consolidated 31/12/2024 \$'000</b>	<b>Consolidated 30/06/2024 \$'000</b>
Prepayments	3,358	3,829
Right-of-return assets	389	224
Security deposits	10	10
	<u>3,757</u>	<u>4,063</u>

**Note 12. Non-current assets – right-of-use assets**

	<b>Consolidated 31/12/2024 \$'000</b>	<b>Consolidated 30/06/2024 \$'000</b>
Buildings	30,808	29,809
Re-measurement	508	999
Less: Accumulated depreciation	(12,044)	(9,740)
	<u>19,272</u>	<u>21,068</u>

Reconciliations of the written down values at the beginning and end of the current and previous financial half-year are set out below:

<b>Consolidated</b>	<b>Buildings \$'000</b>	<b>Total \$'000</b>
Balance at 1 July 2023	24,596	24,596
Re-measurement	999	999
Depreciation	(2,232)	(2,232)
Balance at 31 December 2023	<u>23,363</u>	<u>23,363</u>
Balance at 1 July 2024	21,068	21,068
Re-measurement	508	508
Depreciation	(2,304)	(2,304)
Balance at 31 December 2024	<u>19,272</u>	<u>19,272</u>

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**Temple & Webster Group Ltd**  
**Notes to the financial statements**  
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**Note 13. Non-current assets – property, plant and equipment**

	<b>Consolidated 31/12/2024 \$'000</b>	<b>Consolidated 30/06/2024 \$'000</b>
Leasehold improvements – at cost	7,147	6,904
Less: Accumulated depreciation on leasehold improvements	<u>(1,591)</u>	<u>(1,235)</u>
	<u>5,556</u>	<u>5,669</u>
Construction in progress	-	24
Plant and equipment – at cost	2,398	2,363
Less: Accumulated depreciation	<u>(2,170)</u>	<u>(2,063)</u>
	<u>228</u>	<u>300</u>
	<u><b>5,784</b></u>	<u><b>5,993</b></u>

Reconciliations of the written down values at the beginning and end of the current and previous financial half-year are set out below:

<b>Consolidated</b>	<b>Leasehold improvements \$'000</b>	<b>Construction in progress \$'000</b>	<b>Plant and equipment \$'000</b>	<b>Total \$'000</b>
Balance at 1 July 2023	6,344	-	633	6,977
Additions	-	39	17	56
Depreciation	(343)	-	(184)	(527)
Balance at 31 December 2023	<u>6,001</u>	<u>39</u>	<u>466</u>	<u>6,506</u>
Balance at 1 July 2024	5,669	24	300	5,993
Additions	-	218	51	269
Disposals	-	-	(5)	(5)
Transfers	242	(242)	-	-
Depreciation	(355)	-	(118)	(473)
Balance at 31 December 2024	<u>5,556</u>	<u>-</u>	<u>228</u>	<u>5,784</u>



**Temple & Webster Group Ltd**  
**Notes to the financial statements**  
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**Note 14. Non-current assets - intangibles**

	<b>Consolidated 31/12/2024 \$'000</b>	<b>Consolidated 30/06/2024 \$'000</b>
Goodwill - at cost	22,434	22,434
Less: Accumulated Impairment	(17,902)	(17,902)
	<u>4,532</u>	<u>4,532</u>
Brands - at cost	<u>2,781</u>	<u>2,781</u>
Software and websites - at cost	4,049	3,632
Less: Accumulated amortisation	(1,708)	(1,569)
Less: Accumulated Impairment	(1,474)	(1,474)
	<u>867</u>	<u>589</u>
Development costs	<u>32</u>	<u>258</u>
Other	<u>44</u>	<u>44</u>
	<u><b>8,256</b></u>	<u><b>8,204</b></u>

Reconciliations of the written down values at the beginning and end of the current and previous financial half-year are set out below:

<b>Consolidated</b>	<b>Goodwill \$'000</b>	<b>Brands \$'000</b>	<b>Software and websites \$'000</b>	<b>Development \$'000</b>	<b>Other \$'000</b>	<b>Total \$'000</b>
Balance at 1 July 2023	4,532	2,781	614	-	44	7,971
Additions	-	-	-	144	-	144
Transfer of software upon completion	-	-	144	(144)	-	-
Amortisation expense	-	-	(135)	-	-	(135)
Balance at 31 December 2023	<u>4,532</u>	<u>2,781</u>	<u>623</u>	<u>-</u>	<u>44</u>	<u>7,980</u>
Balance at 1 July 2024	4,532	2,781	590	257	44	8,204
Additions	-	-	-	192	-	192
Transfer of software upon completion	-	-	417	(417)	-	-
Amortisation expense	-	-	(140)	-	-	(140)
Balance at 31 December 2024	<u>4,532</u>	<u>2,781</u>	<u>867</u>	<u>32</u>	<u>44</u>	<u>8,256</u>

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**Temple & Webster Group Ltd**  
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**Note 15. Other financial assets**

	<b>Consolidated 31/12/2024 \$'000</b>	<b>Consolidated 30/06/2024 \$'000</b>
<b>Current</b>		
Foreign exchange forward contract	2,103	202
	<u>2,103</u>	<u>202</u>

**Note 16. Current liabilities - trade and other payables**

	<b>Consolidated 31/12/2024 \$'000</b>	<b>Consolidated 30/06/2024 \$'000</b>
Trade payables	38,108	36,295
Accrued payables	19,090	6,880
Employee related payables	1,250	1,189
Cash-settled share-based payments	951	1,000
On-costs on share-based payments	56	59
Other payables	885	2,064
	<u>60,340</u>	<u>47,487</u>

**Note 17. Contributed capital**

During the half-year ended 31 December 2024, the Group issued 362,052 (31 December 2023: Nil) fully paid ordinary shares in the Company through the Temple & Webster Group Ltd Employee Share Trust.

There were no dividends paid, recommended or declared during the current or previous financial half-year.

During the half-year ended 31 December 2024, the Group purchased 60,139 (31 December 2023: 1,495,374) ordinary shares on issue at average price of \$11.31 (31 December 2023: \$6.70) under the on-market share buy-back program. All the ordinary shares bought back were cancelled as at 31 December 2024.

**Note 18. Share-based payments**

The group issued Long-Term Variable Remuneration ('LTVR') performance rights and retention rights to the executive and management team during the current financial half-year. Of the total LTVR performance rights granted during the current financial half-year on 29 November 2024, 50% of the LTVR have market vesting condition based on the Group's Total Shareholder Return ('TSR') as compared to TSR of the constituents of the S&P/ASX 300 Industrials Index over the performance period and the remaining 50% of the LTVR have non-market vesting condition based on the achievement of a certain Earnings Per Share Growth ('EPSG') target.

For the LTVR performance rights granted during the current financial half-year to the executive and management team with a TSR target, the valuation model inputs used to determine the fair value at the grant date, are as follows:

<b>Grant date</b>	<b>Vesting date</b>	<b>Number of shares</b>	<b>Share price at grant date</b>	<b>Exercise price</b>	<b>Expected volatility</b>	<b>Risk-free interest rate</b>	<b>Fair value at grant date</b>
29/11/2024	30/06/2027	72,259	\$11.81	\$0.00	53%	3.92%	\$8.30

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**Temple & Webster Group Ltd**  
**Notes to the financial statements**  
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**Note 18. Share-based payments (continued)**

For the LTVR performance rights granted during the current financial half-year to the executive and management team with an EPSG target, the share price on the grant date is determined to be the fair value at the grant date of \$11.81.

For the LTVR performance rights granted during the previous financial half-year to the executive and management team with TSR target, the valuation model inputs used to determine the fair value at the grant date, were as follows:

Grant date	Vesting date	Number of options	Share price at grant date	Exercise price	Expected volatility	Risk-free interest rate	Fair value at grant date
13/11/2023	30/06/2026	97,572	\$6.61	\$0.00	57%	4.31%	\$4.61

Nil dividend yield was used in the valuation of the share-based payments granted in the current financial half-year.

For the six months ended 31 December 2024, the Group has recognised \$2,422,000 of share-based payment expense in the statement of profit or loss (31 December 2023: \$1,617,000).

**Issue of shares**

During the current financial half-year, the Non-Executive Directors ('NED') exercised options to acquire 362,052 (31 December 2023: Nil) fully paid ordinary shares in the Company.

**Note 19. Fair value measurement**

The carrying amounts of trade and other receivables, trade and other payables and other current financial assets and liabilities are assumed to approximate their fair values due to their short-term nature. The carrying amounts of non-current financial assets and derivatives are initially recognised at fair value on the date on which the transaction occurs or contract is entered into and subsequently remeasured at fair value.

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances, and for which sufficient data is available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Derivatives held by the Group are considered to be Level 2, apart from the current financial asset which is considered to be Level 3. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

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**Temple & Webster Group Ltd**  
**Notes to the financial statements**  
**31 December 2024**

**Note 20. Contingent liabilities**

The Group had no contingent liabilities at 31 December 2024 and 30 June 2024.

**Note 21. Events after the reporting period**

No matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

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**Temple & Webster Group Ltd**  
**Directors' declaration**  
**31 December 2024**

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



**Stephen Heath**  
*Chair*

13 February 2025  
Sydney

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## Independent auditor's review report to the members of Temple & Webster Group Ltd

### Conclusion

We have reviewed the accompanying condensed half-year financial report of Temple & Webster Group Ltd (the Company and its subsidiaries (collectively the Group)), which comprises the statement of financial position as at 31 December 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the Corporations Act 2001, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

### Basis for conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity (ASRE 2410). Our responsibilities are further described in the Auditor's responsibilities for the review of the half-year financial report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

### Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.



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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Ernst & Young*

Ernst & Young

*Rachel Rudman*

Rachel Rudman  
Partner  
Sydney  
13 February 2025

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