

17 December 2025

40% to 50% Likely Profit Increase in First Half FY26

Tamawood Limited advises that the Company's external Auditors have completed their review of the Work In Progress (WIP) calculation methodology. The Auditors have confirmed that the recently implemented software system is now capturing and reflecting WIP calculations for all Dixon jobs currently under construction in accordance with the AASB15.

Further to my Annual General Meeting Presentation, based on unaudited management accounts, sales revenue for the five months to 30 November has increased by 36.5% compared to the prior corresponding period, with no material increase in operating costs. Based on these unaudited results, I have now formed the view that the current product mix is likely to generate an additional 6%–9% in profit before tax per build for FY26, subject to no adverse changes in market conditions, weather impacts or government regulation. As a result, first-half profit before tax is expected to exceed the prior corresponding period first half FY25 \$4.765 million by approximately 40% to 50%. Please note that this performance may not be repeated in the second half, as some margin is expected to be absorbed by rising construction costs.

I have requested, and all Directors have agreed, that they will remain in a trading blackout period until the release of the Company's reviewed half-year financial results to the market, also as a result of being in a black out period, Directors were unable to alter prior period Dividend Reinvestment Plan (DRP) instructions.

I am satisfied that improvements in productivity and quality across all departments are permanent and likely to deliver further benefits with introduction of additional AI enabled components.

Obviously from now on special attention will be paid to the WIP reporting issues because of the impact on our ability to provide the market with timely updates.

Authorised by:
Lev Mizikovsky
Chairman

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