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**TEMPLE & WEBSTER GROUP LTD**
ABN 69 608 595 660

TEMPLE & WEBSTER

**ASX Announcement**
23 October 2026

**2026 Annual General Meeting Addresses and Strategy Update**

Temple & Webster Group Limited (**ASX:TPW**), Australia's leading online retailer for furniture and homewares,[1] is pleased to attach the addresses to be delivered by the Chair and CEO at the Company's Annual General Meeting (**AGM**) later today.

This is provided in accordance with ASX Listing Rule 3.13.3.

A presentation slide deck will also be lodged separately.

- ends -

**This announcement has been authorised by the board of directors.**

**For all investor enquiries:**
Rebecca Culbertson
M: +61 (0) 400 955 295
investor.relations@templeandwebster.com.au

**For all media enquiries:**
Melissa Shawyer, PR Group
M: +61 (0) 412 066 048
melissa@prgroup.com.au

**Forward-looking Statements**
Certain statements contained in this announcement are forward-looking statements or statements about future matters, including any indications of, and guidance or outlook on, the earnings, financial position and / or performance of Temple & Webster Group Limited. These statements involve known and unknown risks and uncertainties and other factors (many of which are beyond the control of Temple & Webster Group Limited) and involve significant elements of subjective judgement and assumptions as to future events (which may or may not be correct). No representation, warranty or assurance is given that the occurrence of any of the events expressed or implied in these statements will actually occur or that actual outcomes will not differ materially from the outcomes expressed or implied in these statements.

**About the Temple & Webster Group**
Temple & Webster is Australia's leading online retailer of furniture and homewares. Originally founded in 2011, 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 suppliers. The business also offers customers a growing range of home

[1] Source: IBISWorld Industry Reports: OD4176 Online Household Furniture Sales in Australia (February 2026), OD4174 Online Home Furnishing Sales in Australia (February 2026)

improvement products, as well as Trade & Commercial solutions for business customers. Temple & Webster Group's registered office and principal place of business is 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.

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## Chair's Address

Good morning everyone, and welcome to our 2026 Annual General Meeting.

Before we begin, Temple & Webster Group would like to acknowledge the Traditional Owners and Custodians of Country throughout Australia. We recognise their enduring connection to the lands, the waterways, and the skies. We acknowledge the Gadigal and Wangal people, on whose lands our corporate head office is located, as well as all other First Nation Countries we operate across. We pay our respects to Elders past, present and to all Aboriginal and Torres Strait Islander peoples.

I would also like to introduce my fellow Directors who are here at today's meeting:

- Stephen Heath, Lead Independent Director;
- Conrad Yiu, Co-Founder and Non-Executive Director;
- Belinda Rowe, Independent Non-Executive Director and Chair of the Nomination and Remuneration Committee; and
- Melinda Snowden, Independent Non-Executive Director and Chair of the Audit and Risk Management Committee.

Joining us today via the audio webcast is:

- Michael Malone, Independent Non-Executive Director.

We are also joined by Susie Sugden, our Chief Executive Officer, Lisa Jones, our Company Secretary, and other members of our executive leadership team.

### Introduction

Firstly, I want to say how excited I am to be in the position of Executive Chair at Temple & Webster, and how thrilled I am that Susie has re-joined the Company as our new CEO. This business has been such a huge part of my life for over 15 years, and whilst I am very proud of what we have been able to achieve to date, I know there is much more to come. I am looking forward to continuing to help grow this amazing business in my new role.

### FY26 financial performance

As reported in August, FY26 was a year of record revenue for Temple & Webster, delivered in a challenging consumer environment. We delivered $665 million in revenue, up 11% on the prior year. We also grew our share of the Australian furniture and homewares market from 2.7% to 2.9%. That growth came mainly in the first half, with trading conditions weaker in the second half.

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EBITDA for the year was $21.9 million, up 17%, and a margin of 3.3%. Excluding one-off costs and unrealised foreign exchange losses, underlying EBITDA was $25.9 million. That is up 28%, with the margin improving 53 basis points to 3.9%. This result was in line with our guidance range, and reflects the margin initiatives we put in place during the year, and the flexibility of our operating model.

The business generated $24 million in operating cash flow, ending the year with $123 million in cash. This was after returning $30 million to shareholders through our on-market share buy-back. Our capital management priorities haven't changed; we will keep investing in profitable growth, in our technology, AI and innovation capability, assess the right M&A opportunities, and continue to repurchase shares where we see value.

**Board and leadership update**

This year we made an important change to how the business is led. On 1 July 2026, Susie Sugden joined as Chief Executive Officer and I moved into the role of Executive Chair.

For Susie, this is a return to Temple & Webster. She was with us from 2016 to 2020 as Chief Commercial Officer and Chief Marketing Officer. Since then, she has been CEO of Love To Dream, and a Managing Director at Genesis Capital. Earlier in her career she co-founded two eCommerce businesses in Southeast Asia. Susie knows this business and this category well, and the Board is confident she is the right person to lead our next phase of growth.

As part of these changes, Stephen Heath moved from Chair to Lead Independent Director. I'd like to thank Stephen for his leadership as Chair over the past 10 years, his knowledge of the business will remain very valuable to the Board in his new role. We took independent advice from a leading corporate governance expert on the new structure. Following that advice, we updated the Board Charter and the Nomination & Remuneration Committee Charter. The changes set out clearly the responsibilities of the Executive Chair, the Lead Independent Director and the CEO.

The Lead Independent Director chairs meetings of the independent directors and acts as the link between them, myself and Susie. The Board has a majority of independent directors. We believe this structure gives the right balance between executive leadership and independent oversight, and it is consistent with the ASX Corporate Governance Principles.

**Closing remarks**

In closing, FY26 showed that Temple & Webster can grow revenue and improve profitability at the same time, even in a tough market. We have a strong balance

sheet, a large customer base, and a clear opportunity in a market worth around $40 billion.

On behalf of the Board, I'd like to thank Susie and the whole Temple & Webster team for their hard work and commitment. And finally, to our shareholders, thank you for your continued support. I'll now hand over to Susie for her address.

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## CEO's Address

Thank you, Mark, and good morning, everyone. This is my first AGM as CEO of Temple & Webster, and it is a privilege to be here. Having returned to the business after leaving in 2020, I have been incredibly impressed by the progress made over that time and, importantly, by the significant opportunity that remains ahead of us.

Mark has already given us a review on FY26 performance. Now I would like to take the time to focus on the future and where we are taking the business.

**Executive summary**

Over the past 15 years, Temple & Webster has grown from a startup to become the online market leader in our category, and the number two specialty furniture and homewares retailer in the country. As a disruptor and an innovative, digital-first business, our goal is to grow market share, deliver strong and sustainable top-line and bottom-line growth, and ultimately to drive shareholder returns. In particular, our aim is to return to double-digit growth from FY28, with improved unit economics, as a result of the work that has been done over the past six months.

The drivers of this growth are in place. From a macro perspective, a smaller share of furniture and homewares is bought online in Australia and New Zealand than in comparable overseas markets, which are five to seven years ahead of us. As more of the category moves online, we expect to continue growing our market share, and believe that increased AI adoption will speed up this shift.

In addition, today I will take the opportunity to outline new plans across marketing, range and AI, all of which drive top line and bottom line growth of our core business. We will also continue to diversify our revenue base by growing into adjacent categories and new markets, as we have done successfully over the past few years.

We have made the decision to focus our business around the mass to mid market, and will be making conscious decisions to reduce our entry level ranges over time. This shift supports our objective to be the largest retailer in our category, as the mid market is the largest customer segment by revenue and profit. We will focus on our core customer proposition of quality, style and value, and in tandem, take a more disciplined approach to discounting.

I will shortly share with you the results of tests we have run over the last three to four months, which give us confidence in this direction, and confidence that it will lead to a bigger and more profitable business over time.

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**Market opportunity**

The investment thesis in Temple & Webster remains unchanged. We are pursuing a market opportunity of around $40 billion across furniture, homewares and home improvement with our overall share currently below 3%. Not only is the total addressable market large, online penetration in both categories remains low relative to overseas markets and other categories. We continue to see Australia moving to catch up, and Temple & Webster is taking advantage of this long term structural shift.

We believe our business model is best placed to win, given that:

- Our digital capabilities and data lake is significant, and we have deep expertise across technology, data and AI;
- Our ability to leverage both drop-ship and direct sourcing models provides our customers with the best product range;
- We have a best-in-class bulky logistics network and a flexible supply chain that allows us to operate efficiently and ensure a great end-to-end customer experience; and
- Our asset light / negative working capital allows us to run a low cost base, but also to reinvest for growth.

The increasing use of AI will be transformative for the retail industry as a whole, and we believe will accelerate the shift to online. As a digitally-native, online business, this trend will amplify our strengths. We stand to disproportionately benefit from this technology in multiple ways.

Firstly, our vast data lake allows us to personalise customer experiences, helping them find what they love and increasing conversion rates and average order values. Secondly, we use AI agents within our supply chain, merchandising, customer care and tech teams to improve productivity. This widens our cost advantage relative to traditional retail. Thirdly, in marketing, we are now using our product data and online assets to increase discoverability with LLMs, which over time will also drive efficiencies through competition in digital advertising. Our culture as an innovative disruptor, and unique position as an agile, asset-light business, supports these initiatives. We are just seeing the beginning of the impact AI will have in our sector, and the opportunity ahead of Temple & Webster is significant.

**Strategy update**

Over the past four months as CEO, working with the Board and the broader executive team, we have challenged our current strategy, thought about what makes Temple & Webster unique, and how we can best position ourselves to become the largest retailer in the category in Australia. At our heart, we remain a customer centric business - we want to make our customers' homes more beautiful, and we want

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them to be able to find what they love on Temple & Webster, and then to bring it home with confidence. Confidence in value, in quality and in service.

This ambition does not require a complete re-write of our strategic priorities. In fact, what we are executing on is an evolution of our existing priorities, but with a greater emphasis on our position as a tech driven disruptor, and on our customers' changing needs.

Over the past three years, we made substantial progress against each of our strategic priorities - to become top of mind in the category, to drive a majority of revenue from exclusive products, to grow our capabilities on data, AI and technology, to lower our fixed costs and to build scale through adjacencies. We have updated the market on our progress against these priorities on a regular basis and our refreshed strategy shows how we are building on the same core strengths of our business, but evolving our approach to reflect the latest technology, and the increasingly sophisticated expectations of our customer base.

Firstly, magnetic brand. We are aiming to adjust our marketing mix with a greater weighting towards mid- and top-of-funnel media, creating a trusted and aspirational brand. Secondly, distinctive product. Our ambition is to have Australia's best range, which is famous for quality, style and value - enabled by AI and automation to ensure that our range remains on-trend, appropriately priced and that the value is communicated effectively. Thirdly, leading experience. AI gives us an opportunity to transform how customers shop for furniture and homewares, which is a highly emotive and complicated category. Fourthly, operational rigour. We want to extend our margin advantage as we scale, focusing on ways to use AI and automation across every part of our business to drive down fixed costs as a percentage of revenue. Finally, scale for the future. Our priority is exploring and testing larger international markets in the near-term, leveraging AI and technology for low-cost market entry.

I will now talk in more detail on what we have been doing across each of these priorities in the last four months, and what actions we are taking going forward.

A refreshed brand campaign was launched in Brisbane in July, using two years of data, which balanced investment across brand and performance marketing roughly 50/50, versus a previous balance of 80-90% performance marketing and 10-20% brand. Early results have been positive, with the Brisbane metro area recording an 11% uplift in traffic, 7% uplift in revenue relative to control markets and a 14% increase in share of branded Google search. Unprompted brand awareness has also increased by two percentage points over a two-month period. These results provide encouraging early evidence of the potential benefits of shifting our marketing allocations towards brand, and we expect them to continue to improve as brand campaigns typically take 6 - 12 months to have full impact. As a result, we have made the decision to roll out the campaign in additional markets, including Sydney and Melbourne.

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Our overall priority is to direct a greater share of our marketing spend to mid- and top-of-funnel campaigns over the next three years, and as a result, improving overall efficiency, ROI and marketing cost as a percentage of revenue. We can observe this result with many global retail and customer facing businesses.

We are also progressing our strategy to increase private label and exclusive product penetration and differentiate our range. We completed tests across multiple classes to replace entry-level products with higher quality private label ranges, with consistently positive results. A recent program replaced approximately 200 entry-level manchester SKUs with a higher-quality private label range, featuring Australian-sourced fabrics and on-trend designs. The initiative delivered higher average order values, an 8% uplift in revenue, and a fivefold increase in private label penetration, and 11% higher delivered margin. This is just a snapshot of how our focus on higher quality, exclusive product drives improved outcomes.

Given these encouraging results, we have moved into rollout across the full catalog, with an ambition to continue to grow our share of private label and exclusive drop-ship product overall. We are not just improving the quality of our private label range. We will use customer data and in partnership with our drop-ship network improve the quality, style and value of our drop ship ranges also. We have recently appointed two new executives, who were already within the business, to oversee these developments - a Chief Product and Sourcing Officer, and a Chief Commercial Officer.

We continue to invest in our digital and AI capabilities which are increasingly focused on personalisation across the customer journey. Five AI-led personalisation programs have been launched or are in testing across paid media, product pages, checkout and email.

Results to date include tailored shipping pricing at checkout, which have delivered a $1.2 million annualised uplift in delivered margin with no impact on revenue or conversion; personalised complementary product recommendations, which increased conversion on displayed items by 56%; and personalised email product recommendations, which increased traffic to the website by 12%. All of these are proprietary technologies, built by our in-house data and AI team.

Going forward, we see AI-led personalisation as a differentiator for us, and we want to embed it across every customer interaction. We are also focused on improving our discoverability with LLMs as a growing source of customer referrals, and driving higher conversion rates and basket sizes from personalised recommendations.

AI is also having an impact on our operating costs and margins, and is an important driver in our overall ambition to lower our cost of doing business and ensure we can offer products to customers at the best possible price. Over the last three years, we

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have reduced our fixed costs as a percentage of revenue from 12% to 10%, and we will continue to improve.

We are now adopting agentic AI workflows across all departments of our business, and also modernising our core platform using AI-based coding. We are focused on the impact of these investments. AI has driven fixed cost improvements, and is also helping to drive improvements in delivered margin. For example, we have been able to reduce damage and defective rates in products as a result of AI-based workflows, reducing weeks of work to minutes and taking action with our suppliers and factories. In combination with strong engagement with our vendors and suppliers, we are seeing a 20% reduction in damaged in transit and other incidents year on year. In addition to saving cost, these changes improve overall customer experience and potential customer lifetime value.

Finally, our ambition is to explore larger markets and scale the business. NZ is our first test of an AI led market, where we manage both the technology and the commercial operations with an agentic team, supervised by humans. This same approach can be used for larger markets, and we continue to internationalise our range so that it can be sold across multiple different geographies. We will grow revenue and earnings contribution from adjacencies outside our core Australian business in a highly cost-effective manner.

**Capital management**

Before turning to current trading, I want to touch quickly on capital management. Our capital management priorities remain unchanged, with a focus on maintaining a strong balance sheet that supports us to invest in growth.

Beyond maintaining appropriate liquidity buffers, our priority is to invest capital into organic growth and to drive market share gains, and to maintain our advantages in relation to AI and technology. We have also been assessing inorganic growth opportunities, and will continue to do so going forward as a potentially efficient way to add capabilities, new products or new markets. Finally, surplus capital will be returned to shareholders, as we have demonstrated through our on-market buy-back program. Through this program, we have returned over $70 million to shareholders since 2023.

**Trading update and outlook**

Now to trading. As we said in August, revenue is lower so far this year because we have deliberately reduced promotional depth and raised prices on some ranges. That is why contribution margin is growing, while revenue is down. Since our update in August, trading has improved, and the business has continued to step up its profitability, in-line with our strategy.

For the period from 1 July to 19 October, revenue is down 8% versus the prior corresponding period, and contribution margin dollars are up 16%. For the period between our August trading update and today, this implies run-rate revenue growth of -4%, up from -13% at our August update.

In terms of the shape of FY27, from mid-February we begin to cycle periods with similar promotional depth and intensity as our current mix. At this point we expect to return to growth, with our improved unit economics and our strategy to focus on sustainable top-line and bottom-line growth.

We remain on track for FY27 EBITDA in the range of $33 million to $40 million, an increase of approximately 50 to 80% on FY26. Importantly, the growth initiatives that I have discussed are funded within this range. With improving unit economics and a strong balance sheet, we remain focused on becoming the largest retailer in our category in Australia.

**Thank you**

Finally, I'd like to thank our Tempster team for the warm welcome and for everything they've delivered in FY26 and into FY27.

Thank you also to Mark and the Board for their support, and to our customers, suppliers, partners and shareholders. We value your ongoing trust as we continue to make the world more beautiful, one room at a time.

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