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# **Tamawood Limited**

ABN 56 010 954 499

## **Annual Report**

**For the Year Ended 30 June 2021**

**ABN 56 010 954 499  
ASX Code: TWD**

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## Chairman's Letter

As of mid August we are in a position to commence building, in South East Queensland, in line with the pre COVID-19 period, despite widely reported industry issues. Current appointment levels are exceeding those seen after the announcement of the "HomeBuilder" Grant. Our margins remain in line with the Boards expectations, all as a result of measures previously taken.

The Group has recorded an after tax result of \$6.455 million which is 44.18% greater than FY20.

The final declared fully franked dividend for FY21 is 13 cents. In line with its new dividend payment plan, the final dividend will be paid 6 September 2021.

### Effects of Government Grant and Shortage of Building Supplies Caused by COVID-19

As anticipated in my Chairman's Letter from last year's Annual Report, there has been a substantial impact on the building industry, as a result of the introduction of the Government Grant into an already buoyant housing market. It is difficult to blame Government for this but the industry bodies that clamoured for the introduction of the grant must take the blame. Along with this the significant shortages of building materials and labour due to COVID-19 impact, and other global issues have negatively impacted us due to delays in construction particularly in the last quarter of the financial year. Extremely high volumes of applications for bank loans have caused significantly slow approvals. Although we have had a very good result, all of these issues along with an extremely wet final quarter has meant the result is not quite as good as it might have been.

### Future Outlook

The business is well placed to reduce the negative impact of the construction delays over the next 12 months and anticipates a strong FY22 on the back of current sales in the system and current work in progress.

I would like to commend the management team for their foresight in forecasting the outcomes from what I have outlined above and putting measures in place to ensure that we have the ability to continue to deliver homes to our clients in an average 28 week time frame, as we are now ensuring future profitability of the company through margin control.

The Board cannot predict beyond the next 12 months with uncertain migration levels continual COVID-19 lockdowns inflationary pressure on household levels and possible interest rate rises.

Notwithstanding all of the above, we remain in a very strong position with no debt and a very strong balance sheet.

We plan to expand into further regional markets focusing on Queensland and northern and regional New South Wales if and when opportunities present themselves.



Mr Robert Lynch  
Non-Executive Chairman

Dated: 12 August 2021

## Managing Director's Report

The results for FY21 for Tamawood Limited was a net profit after tax attributable to members of \$6.455 million (2020: \$4.477 million).

As highlighted by our Chairman, Robert Lynch, in the Financial Review article and his Chairman's letter in the half year and Annual Report the FY21 result has been impacted by a range of issues. However, the early identification and positive reaction to key issues identified has allowed the business to remain debt free with a cash balance of \$3.808 million at 30th June 2021 and maintain an average payment time of 14 days for Contractors and Suppliers with less than \$10 million revenue.

### COVID-19 Impact

Over the past year we were able to operate through all COVID-19 resulting lockdowns, as we were classified as an essential industry, and at no time did we require Government assistance in the form of 'JobKeeper' payments.

The decision was made early, at the onset of the COVID-19 pandemic, to retain our experienced staff to allow the business to operate in what we identified as a buoyant market, even before 'HomeBuilder' was introduced.


The development of new design ranges early in the pandemic and re-instatement of advertising allowed us to continue to attract interest from potential clients from late FY20 although we did experience delays in contract signings until late in the first half FY21 caused by the lack of clarity as to the 'Homebuilder' Grant conditions and late release of application forms.

We continue to further utilise our unique ability to attract and secure client appointments without the need for display homes in crowded villages where social distancing and hygiene requirements are difficult to manage. The effectiveness of the Senterprisys software in managing workflow, without the need for a large increase in staff levels, has also allowed us to successfully continue expansion into new regional areas as buyers look to shift from densely populated cities.

I would like to thank all management and staff for their loyalty and dedication to their work and their ability to continually adjust to changing circumstances. They have worked tirelessly throughout FY21 processing work and then working to reduce the impact of material and labour shortages. Together with our valued Suppliers and Trades they have us well placed for FY22.

I would also like to thank our Customers for their ongoing patience with delays in what is proving to be a very difficult period for the whole industry as we continue to work hard to deliver builds to the highest standard.

Monitoring and review of our supply and trade availability is an ongoing process and remains a strong focus as we proceed into FY22.



Mr Tim Bartholomaeus  
Managing Director

Dated: 12 August 2021

Directors' Report  
For the Year Ended 30 June 2021

The directors present their report, together with the financial statements of the Group, being Tamawood Limited (the Company) and its controlled entities, for the financial year ended 30 June 2021.

### Directors

The names of the directors in office at any time during, or since the end of the year are:

<b>Names</b>	<b>Position</b>
Mr Robert Lynch	Non-executive Chairman
Mr Lev Mizikovsky	Non-executive Director
Mrs Laurie Lefcourt	Non-executive Director / Chairperson of the Audit Committee
Mrs Linda Horgan	Non-executive Director
Mr Timothy Bartholomaeus	Managing Director

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

### Company secretaries

The following persons held the position of Joint Company Secretary at the end of the financial year:

- Mr Geoff Acton (B.Com, CA, GAICD)
- Miss Narelle Lynch ("Cert Gov Prac")

### Principal activities

The principal activities of the Group during the financial year were:

- Contract home construction, home design and other associated activities in Australia.
- franchising and licensing operations

There were no significant changes in the nature of the Group's principal activities during the financial year.

### Review of operations for the year

#### Highlights

Refer to Managing Director's Report on page 2 of this report

#### Review of financial position

The net assets of the Group have increased by \$3.254 million from \$16.336 million at 30 June 2020 to \$19.590 million at 30 June 2021.

### Significant changes in state of affairs

The following significant changes in the state of affairs of the parent entity occurred during the financial year:

#### 1. COVID-19 impacts to the business

The Board has assessed the impact of COVID-19 to its business and the key points are:

- Sales are significantly higher due to the Federal Government HomeBuilder Grant of \$25,000.
- Witnessing significant shortages in building materials and sub-contractor labour shortages.

#### 2. Material Risks to the business

The Board have undertaken a full risk review and set a risk matrix identifying all of the key areas of risk to the business. The Managing Director and management are set with the task of ensuring we mitigate the risk areas identified.

#### Dividends paid

	2021 \$'000's
Final ordinary dividend of 14 cents per share, paid on 31 August 2020	3,867
Interim ordinary dividend of 11 cents per share, paid on 31 March 2021	3,113

All dividends are fully franked.

#### Events after the reporting date

On 2 August 2021 a dividend of 13 cents per share was announced, to be paid on 6 September 2021.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

#### Future developments and results

The Group will continue to focus on improvements to its automated construction administration processes and operational efficiencies whilst looking to expand and develop its constructions and franchise operations in NSW, Victoria and South Australia.

#### Environmental issues

There are various local council requirements that the Group must adhere to during the construction process. The Group's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

### Information on directors

#### **Mr Robert Lynch - Non-executive Chairman LREA, Justice of the Peace**

As Chairman of Tamawood Limited, Robert has had more than 30 years' experience in residential housing construction and land development. Robert was CEO of Mirvac Homes for 17 years and Clarendon Homes for two years.

Robert is a past President of the New South Wales Housing Industry Association.

Robert has been a Non-executive Director of the Tamawood Group since 2008 and Chairman of the Group since November 2011. He is currently the Chairman of the Group's Risk Management Committee and is a member of the Nominations, Remuneration and Audit Committees.

Robert was formerly a Non-executive Director of AstiVita Limited until 16 March 2017.

#### **Mr Lev Mizikovsky - Non-executive Director FAICD**

Lev Mizikovsky started Tamawood in July 1989. The Company was listed on the ASX in August 2000 and in December 2000 acquired Dixon Homes. Lev is currently Executive Chairman of AstiVita Limited (AIR). Since 1997, Lev has been a Fellow of the Australian Institute of Company Directors (AICD). He is a substantial shareholder in a number of other Queensland Companies including Lindsay Australia Limited (LAU). Lev is a Non-executive Chairman of Advance NanoTek Limited (ANO) since 3 March 2017, Chairman of Senterprisys Ltd (formerly Resiweb Ltd) and was formerly a Non-executive director of Collection House Limited (CLH).

He is currently a member of the Audit and Risk Management Committees.

#### **Mrs Laurie Lefcourt - Non-executive Director & Chairperson of the Audit, Nominations & Remuneration Committees B. Finance & Administration, FCA, GAICD**

Laurie has extensive experience in senior finance roles across a number of industries including mining and resources, construction, infrastructure and agriculture. She has held CFO and company secretary roles in both small and large organisations. Laurie has significant experience from her executive career relating to strategy, governance, risk management and compliance.

Laurie has been a non-executive director of the Tamawood Group since 2018, and is a non-executive director of Advance NanoTek Limited and Sentrprisys Limited.

Laurie is the Chairperson of the Audit Committee, Nominations and Remuneration Committees and a member of the Risk Management Committee.

#### **Mrs Linda Horgan - Non-executive Director GCM, GAICD, MAMI CPM**

Linda has over a decade of marketing experience as the Marketing Manager of various national franchise brands and as Group Account Director with a global marketing agency, overseeing and directing major integrated campaigns.

Linda has a Graduate Certificate in Management, a Digital and Promotional Marketing and studied Retail Marketing, Shopper Marketing and Experiential Marketing. During this time Linda has won multiple national awards for driving sales volumes, best retail campaigns and for the marketing campaign of the year.

Linda has been a Non-executive Director of the Tamawood Group since 2019 and is a member of Nominations, Remuneration and Risk Management Committees.

### Information on directors

#### **Mr Timothy Bartholomaeus - Managing Director GAICD**

Timothy has been with the group since 1996 commencing as a Building Designer. Since 2001 he held a number of management positions including Design and Estimating Manager, Construction Manager, Administration Manager, Premium Brands Manager and Sales & Marketing Manager.

Timothy was Chief Operating Officer from 2010 until his appointment as Managing Director and is a Director of the Group's Dixon Homes NSW operations.

Timothy is not and has not been a director of any other publicly listed company in the past 4 years.

Details of each director's relevant interest in shares of the company can be found at page 12 of this report.

### Information on company secretaries

#### **Mr Geoff Acton B.Com, CA, GAICD**

Geoff is a chartered accountant and has more than 20 years history with Tamawood in various capacities including Director, Chief Financial Officer, Company Secretary and head of Tamawood's Renewable Energy Certificates trading business, which Geoff established in 2004.

#### **Miss Narelle Lynch "Cert (Gov Prac)"**

Narelle was appointed joint company secretary on 24 May 2013. She is also joint company secretary of AstiVita Limited, Advance NanoTek Limited and SenterpriSys Limited.



Directors' Report  
 For the Year Ended 30 June 2021

**Meetings of directors**

The number of meetings of directors (including committees of directors) held during the financial year and the number of meetings attended by each director were as follows:

	Directors' Meetings		Audit Committee Meetings		Risk Committee Meetings		Remuneration & Nomination Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Mr Robert Lynch	12	12	3	3	1	1	2	2
Mr Lev Mizikovsky	12	12	3	3	1	1	0	2*
Mrs Laurie Lefcourt	12	12	3	3	1	1	2	2
Mrs Linda Horgan	12	12	0	3*	1	1	2	2
Mr Timothy Bartholomaeus	12	12	0	3*	1	1	0	2*

\* Attended by invitation

**Options**

No options over issued shares or interests in the Company or a controlled entity were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

**Indemnification and insurance of officers**

The Directors, Secretaries and Officers of the Group and its controlled entities are insured for liabilities that include costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group.

The liabilities insured exclude any criminal, fraudulent, dishonest or malicious act or omission or improper use of information or position to gain a personal advantage.

**Non-audit services**

The Board of Directors, in accordance with advice from the Audit Committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with Code of Ethics for Professional Accountants (including Independence Standards) set by the Accounting Professional and Ethical Standards Board.

The total fees to the Group's external auditors, William Buck (Qld), for non-audit services during the year ended 30 June 2021 was nil (2020: Nil).

### **Auditor's independence declaration**

The lead auditor's independence declaration in accordance with section 307C of the Corporations Act 2001, for the year ended 30 June 2021 has been received and can be found on page 13 of the financial report.

### **ASIC Corporations Instrument 2016/191 rounding of amounts**

The Group is an entity to which ASIC Corporations Instrument 2016/191 applies and, accordingly, amounts in the financial statements and directors' report have been rounded to the nearest thousand dollars unless otherwise stated.

### **Remuneration report (audited)**

This remuneration report for the year ended 30 June 2021 outlines the remuneration arrangements of the key management personnel of the Group, including the Directors, in accordance with the requirements of the Corporations Act 2001 (the Act) and its regulations. This information has been audited as required by section 308(3C) of the Act.

#### **Remuneration policy**

The performance of Tamawood Limited depends upon the quality of its key management personnel. To prosper, the Group must attract, motivate and retain highly skilled Directors and other key management personnel.

To this end, the Group embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract high calibre key management personnel
- Link executive rewards to shareholder value

In accordance with best practice corporate governance, the structure of Non-executive Director and Executive remuneration is separate and distinct.

#### **Non-executive Director Remuneration**

##### *Objective*

The Board seeks to set aggregate remuneration at a level that provides the Group with the ability to attract and retain Directors of the highest calibre, and at a remuneration level within market rates.

##### *Structure*

The Constitution and the ASX Business Rules specify that the aggregate remuneration of Non-executive Directors shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the Directors as agreed. The latest determination was at the Annual General Meeting held on 30 November 2012 when shareholders approved an aggregate remuneration of \$300,000 per annum (inclusive of superannuation guarantee contributions).

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst Directors is reviewed annually. Each Non-executive Director receives a fee for being a Director of the Group.

Non-executive Directors' fees and payments are reviewed annually by the Board. The Chairman's fee is determined independently to the fees of Non-executive Directors and based on comparable roles in the market. The Chairman is not present at any discussion relating to determination of his own remuneration.

The remuneration of Non-executive Directors for the period ended 30 June 2021 is detailed in the table at page 10 to this report.

## Remuneration report (audited)

### Remuneration policy

#### Other Key Management Personnel

##### Objective

The Group aims to reward other key management personnel with a level and mix of remuneration commensurate with their position and responsibilities within the Group and so as to:

- Align the interests of other key management personnel with those of shareholders
- Link rewards with the strategic goals and performance of the Group
- Ensure total remuneration is competitive by market standards

##### Structure

Remuneration consists of the following key elements:

- Fixed remuneration
- Other remuneration such as superannuation
- Discretionary bonus

#### Relationship between remuneration policy and company performance

The Remuneration Committee is cognisant of the link between Directors', and other key management personnel remuneration to the achievement of strategic goals and performance of the Group. In setting the remuneration policy the Group seeks to align key management personnel rewards with overall shareholder value creation.

The Board reviews senior management remuneration on a regular basis to ensure base remuneration and any performance payments are directly linked to the achievement of profit contribution targets.

The following table shows the gross revenue, net profits and dividends for the last five years for the Group, as well as the share prices at the end of the respective financial years. The Group has maintained a consistent dividend policy during the past five years.

	2017 \$'000	2018 \$'000	2019 \$'000	2020 \$'000	2021 \$'000
Revenue	122,949	123,562	102,869	91,947	97,864
Net profit attributable to members of the parent entity	9,066	8,692	3,970	4,477	6,455
Dividends paid	6,646	6,909	12,556	-	6,980
Dividends per share (cents)	26.0c	27.0c	49.0c	-	25.0c
Share price at year-end (not rounded)	\$3.69	\$4.00	\$3.61	\$2.52	\$3.54
Weighted average no. of shares on issue at year end	25,567	25,587	26,019	27,612	28,313

## Remuneration report (audited)

The following table of benefits and payments details, in respect to the 2021 and 2020 financial years, the components of remuneration for each member of the key management personnel (KMP) of the Group.

The Board of Directors and Company Secretary took 15% pay cuts from May 2020 to October 2020 during the height of Covid-19. The Managing Director took no bonuses during this time frame.

2021	Short-term benefits			Equity-settled share-based payments	Post employment	Long-term benefits	Termination Benefits	TOTAL
	Cash salary, fees & leave	Bonus	Non-monetary	Shares	Super-annuation	LSL		
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Non-executive directors</b>								
- R Lynch	114,000	-	-	-	-	-	-	114,000
- L Mizikovsky	-	-	-	-	-	-	-	-
- L Lefcourt	53,167	-	-	-	-	-	-	53,167
- L Horgan	47,000	-	-	-	-	-	-	47,000
<b>Sub-total Non-executive Directors</b>	<b>214,167</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>214,167</b>
<b>Executive directors</b>								
- T Bartholomaeus (Managing Director) <sup>1</sup>	189,439	40,000	26,415	-	21,797	3,064	-	280,715
<b>Sub-total executive directors</b>	<b>189,439</b>	<b>40,000</b>	<b>26,415</b>	<b>-</b>	<b>21,797</b>	<b>3,064</b>	<b>-</b>	<b>280,715</b>
<b>Other KMP</b>								
- K Waldron (Sales Manager)	149,782	16,500	-	-	14,870	2,045	-	183,197
- Jacqueline Rodger (Office Manager)	109,009	525	-	-	9,925	1,854	-	121,313
<b>Sub-total Other KMP</b>	<b>258,791</b>	<b>17,025</b>	<b>-</b>	<b>-</b>	<b>24,795</b>	<b>3,899</b>	<b>-</b>	<b>304,510</b>
<b>TOTAL</b>	<b>662,397</b>	<b>57,025</b>	<b>26,415</b>	<b>-</b>	<b>46,592</b>	<b>6,963</b>	<b>-</b>	<b>799,392</b>

2020	Short-term benefits			Equity-settled share-based payments	Post employment	Long-term benefits	Termination benefits	TOTAL
	Cash salary, fees & leave	Bonus	Non-monetary	Shares	Super-annuation	LSL		
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Non-executive directors</b>								
- R Lynch (Chairman)	117,000	-	-	-	-	-	-	117,000
- L Mizikovsky	-	-	-	-	-	-	-	-
- L Lefcourt	54,083	-	-	-	-	-	-	54,083
- L Horgan	48,875	-	-	-	-	-	-	48,875
<b>Sub-total Non-executive Directors</b>	<b>219,958</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>219,958</b>
<b>Executive directors</b>								
- T Bartholomaeus (Managing Director)	194,117	20,000	26,415	-	20,830	5,145	-	266,507
<b>Sub-total Executive Directors</b>	<b>194,117</b>	<b>20,000</b>	<b>26,415</b>	<b>-</b>	<b>20,830</b>	<b>5,145</b>	<b>-</b>	<b>266,507</b>
<b>Other KMP</b>								
- K Waldron (Sales Manager)	142,947	-	-	-	12,986	2,340	-	158,273
- Jacqueline Rodger (Office Manager)	99,619	-	-	-	9,917	7,889	-	117,425
<b>Sub-total Other KMP</b>	<b>242,566</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,903</b>	<b>10,229</b>	<b>-</b>	<b>275,698</b>
<b>TOTAL</b>	<b>656,641</b>	<b>20,000</b>	<b>26,415</b>	<b>-</b>	<b>43,733</b>	<b>15,374</b>	<b>-</b>	<b>762,163</b>

## Remuneration report (audited)

### Cash performance-related bonuses

None of the key management personnel remuneration paid is performance based, with the exception of personnel detailed below.

The terms and conditions relating to bonuses granted as remuneration during the year to key management personnel during the year are as follows:

<b>Bonuses paid and other short-term payments</b>	<b>Amount paid \$</b>	<b>Proportion of total remuneration related to performance</b>	<b>Proportion of remuneration not related to performance</b>
<b>Executive Directors</b>			
T Bartholomaeus (Managing Director)	40,000	14%	86%
<b>KMP</b>			
K Waldron (Sales Manager)	16,500	9%	92%

Cash bonuses which were granted to key management personnel were awarded at the discretion of the Remuneration Committee during the financial year ended 30 June 2021. The bonuses therefore vested 100% during the financial year.

### Service Agreements

It is the Group's policy that service contracts and employment contracts for key management personnel are open-ended, but are capable of termination on two weeks' notice. The Group retains the right to terminate the contract immediately by making payment equal to one month's remuneration in lieu of notice.

On termination, Directors and other key management personnel are entitled to receive their statutory entitlements of accrued annual and long service leave, together with any superannuation benefits. No other termination benefits are payable.

Unless otherwise stated, service agreements and employment contracts do not provide for predetermined compensation values or the manner of payment. Compensation is determined in accordance with the general remuneration policy outlined above. The manner of payment is determined on a case by case basis and is generally a mix of cash and non-cash benefits as considered appropriate by the Board.

Please refer to Related parties note 29 for payment of services received by key management personnel.

## Remuneration report (audited)

### KMP Shareholdings

	Balance at Beginning of Year	Granted as Remuneration during the Year	Issued on Exercise of Options during the Year	Other Changes during the Year	Balance at End of Year
	No.	No.	No.	No.	No.
L Mizikovsky	14,162,080	-	-	1,204,276	15,366,356
R Lynch	545,354	-	-	-	545,354
L Lefcourt	3,000	-	-	-	3,000
L Horgan	303	-	-	-	303
T Bartholomaeus	541,260	-	-	-	541,260
	<b>15,251,997</b>	<b>-</b>	<b>-</b>	<b>1,204,276</b>	<b>16,456,273</b>

### Other Transactions with KMP and their Related Parties

The terms and conditions, together with the amount of any transaction during the reporting period between the Group, or any of its subsidiaries, and a key management person and their related parties, are disclosed in Note 29 to the financial statements.

### End of Remuneration Report

This Directors' report, incorporating the Remuneration report, is signed in accordance with a resolution of the Board of Directors.



**Mr Robert Lynch**  
Non-Executive Chairman

Dated: 12 August 2021

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF TAMAWOOD LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021 there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Tamawood Limited and the entities it controlled during the period.

*William Buck*

**William Buck (Qld)**  
ABN 21 559 713 106

*M. Monaghan*

**M J Monaghan**  
Director

Brisbane 12 August 2021

**ACCOUNTANTS & ADVISORS**

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## Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2021

	Note	2021 \$'000's	2020 \$'000's
Revenue	3	97,864	91,947
Other income	3	244	254
Cost of sales		(75,529)	(72,227)
Accrued expenses adjustment (Unbilled)		28	(1,169)
Employee benefits expense		(7,844)	(7,076)
Depreciation expense	4	(1,223)	(1,217)
Advertising		(553)	(393)
Consultancy		(595)	(582)
Rent expense		(146)	(148)
Lease Interest Expense		(209)	(241)
Bad Debts		-	(54)
Other operating expenses		(2,815)	(2,690)
<b>Profit before income tax</b>		<b>9,222</b>	<b>6,404</b>
Income tax expense	6	(2,767)	(1,927)
<b>Profit for the year</b>		<b>6,455</b>	<b>4,477</b>
<b>Other comprehensive income</b>			
Other comprehensive income for the year		-	-
<b>Total comprehensive income for the year</b>		<b>6,455</b>	<b>4,477</b>
<b>Profit attributable to:</b>			
Members of the parent entity		6,455	4,477
<b>Total comprehensive income attributable to:</b>			
Members of the parent entity		6,455	4,477
Earnings per share			
- Basic earnings per share	32	22.79cents	16.21cents
- Diluted earnings per share	32	22.79cents	16.21cents

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

The accompanying notes form part of these financial statements.



## Consolidated Statement of Financial Position

As At 30 June 2021

	Note	2021 \$000's	2020 \$000's
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	8	3,808	8,163
Trade and other receivables	9	5,220	5,469
Uninvoiced completed works	10	20,730	10,742
Inventories - STC (Renewable energy certificates)	11	41	152
Other inventories	12	666	661
Other assets	13	397	105
Current tax assets	20	1,511	-
<b>Total Current Assets</b>		<b>32,373</b>	<b>25,292</b>
<b>Non-Current Assets</b>			
Investment in associates	24	430	815
Property, plant and equipment	14	752	634
Right of use assets	15	4,135	4,681
Deferred tax assets	20	714	434
<b>Total Non-Current Assets</b>		<b>6,031</b>	<b>6,564</b>
<b>TOTAL ASSETS</b>		<b>38,404</b>	<b>31,856</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	16	3,760	3,067
Accrued expenses (Unbilled)	17	3,404	3,432
Provisions	19	617	612
Current tax liabilities	20	-	14
Lease liabilities - Current	18	874	808
<b>Total Current Liabilities</b>		<b>8,655</b>	<b>7,933</b>
<b>Non-Current Liabilities</b>			
Lease liabilities - Non-current	18	3,556	4,071
Provisions	19	334	293
Deferred tax liabilities	20	6,269	3,223
<b>Total Non-Current Liabilities</b>		<b>10,159</b>	<b>7,587</b>
<b>TOTAL LIABILITIES</b>		<b>18,814</b>	<b>15,520</b>
<b>NET ASSETS</b>		<b>19,590</b>	<b>16,336</b>

The accompanying notes form part of these financial statements.

## Consolidated Statement of Financial Position

As At 30 June 2021

	Note	2021 \$000's	2020 \$000's
<b>EQUITY</b>			
Issued capital	21	11,426	7,647
Reserves	22	(479)	(479)
Retained earnings		8,495	9,020
		<hr/>	<hr/>
<b>Total equity attributable to equity holders of Tamawood Limited</b>		<b>19,442</b>	<b>16,188</b>
Non-controlling interest		148	148
		<hr/>	<hr/>
<b>TOTAL EQUITY</b>		<b>19,590</b>	<b>16,336</b>

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

The accompanying notes form part of these financial statements.

## Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2021

2021

	Ordinary Shares	Retained Earnings	General Reserves	Total	Non-controll ing Interests	Total
Note	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
<b>Balance at 1 July 2020</b>	7,647	9,020	(479)	16,188	148	16,336
<b>Comprehensive income for the year</b>						
Profit for the year	-	6,455	-	6,455	-	6,455
Other comprehensive income for the year	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	6,455	-	6,455	-	6,455
<i>Transactions with owners in their capacity as owners</i>						
Shares issued during the year	21	3,779	-	3,779	-	3,779
Dividends paid	7	(6,980)	-	(6,980)	-	(6,980)
<b>Balance at 30 June 2021</b>	<b>11,426</b>	<b>8,495</b>	<b>(479)</b>	<b>19,442</b>	<b>148</b>	<b>19,590</b>

2020

	Ordinary Shares	Retained Earnings	General Reserves	Total	Non-controll ing Interests	Total
Note	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
<b>Balance at 1 July 2019</b>	7,647	4,682	(479)	11,850	148	11,998
Cumulative adjustment upon change in accounting policies (AASB 16)	-	(139)	-	(139)	-	(139)
<b>Balance at 1 July 2019 - restated</b>	7,647	4,543	(479)	11,711	148	11,859
<b>Comprehensive income for the year</b>						
Profit for the year	-	4,477	-	4,477	-	4,477
Other comprehensive income for the year	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	4,477	-	4,477	-	4,477
<b>Balance at 30 June 2020</b>	<b>7,647</b>	<b>9,020</b>	<b>(479)</b>	<b>16,188</b>	<b>148</b>	<b>16,336</b>

The Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

The accompanying notes form part of these financial statements.

## Consolidated Statement of Cash Flows

For the Year Ended 30 June 2021

	2021	2020
Note	\$000's	\$000's
<b>Cash flows from operating activities</b>		
Receipts from customers (including GST)	96,926	93,398
Payments to suppliers and employees (including GST)	(95,540)	(87,485)
Interest received	21	44
Lease interest paid	(209)	(241)
Income taxes paid	(1,525)	(1,015)
Net cash from operating activities	27 <u>(327)</u>	4,701
<b>Cash flows from investing activities</b>		
Proceeds from sale of property, plant and equipment	80	16
Payments for property, plant and equipment	(418)	(70)
Payment for investments in associates	(72)	-
Net cash used in investing activities	<u>(410)</u>	(54)
<b>Cash flows from financing activities</b>		
Repayment of lease liabilities	(900)	(793)
Dividend paid by parent entity	(2,718)	-
Net cash used in financing activities	<u>(3,618)</u>	(793)
Net increase (decrease) in cash and cash equivalents	(4,355)	3,854
Cash and cash equivalents at beginning of year	8,163	4,309
<b>Cash and cash equivalents at end of financial year</b>	8 <u>3,808</u>	<u>8,163</u>

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

The accompanying notes form part of these financial statements.

## Notes to the Financial Statements

For the Year Ended 30 June 2021

This financial report covers the consolidated financial statements and notes of Tamawood Limited and Controlled Entities (the 'Group'). Tamawood Limited is a for profit Company incorporated and domiciled in Australia and whose shares are publicly traded on the Australian Securities Exchange Limited.

The financial statements were authorised for issue by the Board of Directors on 12 August 2021.

The separate financial statements and notes of the parent entity, Tamawood Limited, have not been presented within this financial report as permitted by the Corporations Act 2001. Parent entity summary is included in note 2.

### 1 Summary of Significant Accounting Policies

#### (a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

These financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The significant accounting policies used in the preparation and presentation of these financial statements are provided below and are consistent with prior reporting periods unless otherwise stated.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

#### Rounding of amounts

The Company is an entity to which ASIC Corporations Instrument 2016/191 rounding of amounts applies and accordingly, amounts in the financial statements and Directors' Report have been rounded to the nearest thousand dollars.

#### (b) Principles of Consolidation

The consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost.

Intragroup assets, liabilities, equity, income, expenses and cashflows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements.

Appropriate adjustments have been made to a controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity. All controlled entities have a June financial year end.

#### Non-controlling interests

Non-controlling interests (i.e. equity in a subsidiary not attributable directly or indirectly to a parent) are presented in the consolidated statement of financial position within equity separately from the equity of the owners of the parent.

# Notes to the Financial Statements

For the Year Ended 30 June 2021

## 1 Summary of Significant Accounting Policies

### (b) Principles of Consolidation

#### Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Tamawood Limited.

#### Subsidiaries

Subsidiaries are all entities (including structured entities) over which the parent has control. Control is established when the parent is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

A list of subsidiaries is contained in Note 23 to the financial statements.

#### Associates

Interests in associates, where the investor has significant influence over the investee, are accounted for using the equity method in accordance with AASB 128 *Investments in Associates and Joint Ventures*. Under this method, the investment is initially recognised at cost and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss and other comprehensive income of the investee after the date of acquisition. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

A list of associates is contained in Note 24 to the financial statements.

### (c) Income Tax

The tax expense recognised in the consolidated statement of profit or loss and other comprehensive income relates to current income tax expense plus deferred tax expense (being the movement in deferred tax assets and liabilities and unused tax losses during the year).

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided on temporary differences which are determined by comparing the carrying amounts of tax bases of assets and liabilities to the carrying amounts in the consolidated financial statements.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax consequences relating to a non-monetary asset carried at fair value are determined using the assumption that the carrying amount of the asset will be recovered through sale.

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 1 Summary of Significant Accounting Policies

#### (c) Income Tax

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current tax assets and liabilities are offset where there is a legally enforceable right to set off the recognised amounts and there is an intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset where there is a legal right to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

#### Tax consolidated group

Tamawood Limited is the head entity for the income tax consolidated group. Each entity in the Group recognises its own current and deferred tax amounts which are measured using the "separate taxpayer within group" taxpayer approach for allocation. Current and deferred tax assets resulting from unused tax losses and tax credits are assumed by the parent entity. The current tax liability of each Group entity is also assumed by the parent entity. The Group notified the Australian Tax Office that it had formed an income tax consolidated group to apply from 1 July 2003. The tax consolidated group has entered into tax sharing and funding arrangement.

Under the terms of the arrangement, the wholly-owned entities reimburse Tamawood Limited for any current income tax payable by Tamawood Limited arising in respect of their activities. The reimbursements are payable on the date advised by Tamawood Limited after the end of the relevant financial year. In the opinion of the Directors, the tax sharing agreement is also a valid arrangement under the tax consolidation legislation and limits the joint and several liabilities of the wholly-owned entities in the case of a default by Tamawood Limited.

#### (d) Comparative Amounts

Comparatives are consistent with prior years, unless otherwise stated.

Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening consolidated statement of financial position at the earliest date of the comparative period has been presented.

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 1 Summary of Significant Accounting Policies

#### (e) Inventories

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

#### (i) STC (Renewable Energy Certificates)

Tamawood enters into renewable energy certificate contracts with both buyers and sellers. The renewable energy certificates are valued at the lower of cost or net realisable value. Cost of inventory is determined using the weighted average costs basis and are net of any rebates and discounts received.

#### (ii) Other Inventories

Tamawood has entered into construction development projects involving the purchase of residential lots and construction of homes on these lots for subsequent sale ("Ready-to-Occupy Homes"). Ready-to-Occupy Homes are treated as trading stock and are valued at lower of cost and net realisable value. Sales are not recognised until the date of unconditional contract. Costs are assigned on the basis of direct input costs together with an apportionment of indirect overhead expenses. The complete apportionment of these indirect costs are based on the percentage stage of completion.

#### (iii) Uninvoiced completed works

These assets are recognised when Tamawood has transferred goods and services to the customer but where it is yet to establish an unconditional right to consideration.



## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 1 Summary of Significant Accounting Policies

#### (f) Property, Plant and Equipment

Classes of property, plant and equipment are measured using the cost model as specified below.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of costs of dismantling and restoring the asset, where applicable.

##### Plant and equipment

Plant and equipment comprising motor vehicles, office furniture and equipment, computer software and leasehold improvements are measured using the cost model.

##### Depreciation

The depreciable amount of all property, plant and equipment, except for freehold land is depreciated on a diminishing value method from the date that management determine that the asset is available for use.

Leasehold improvements are depreciated over the shorter of the term of the lease and the assets useful life.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Motor Vehicles	4 - 8 years
Office Furniture and Equipment	2 - 10 years
Computer Software	5 years
Leasehold improvements	15 years

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

When an asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

# Notes to the Financial Statements

For the Year Ended 30 June 2021

## 1 Summary of Significant Accounting Policies

### (g) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Group becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

#### Financial Assets

Financial assets are assigned to different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the consolidated statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

#### Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using effective interest method, less any allowance for expected credits losses. Trade receivables are generally due for settlement within 30 days.

#### Financial liabilities

Financial liabilities are recognised when the Group becomes a party to the contractual agreements of the instrument. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included in the consolidated statement of profit or loss and other comprehensive income line items "finance costs" or "finance income".

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired.

The Group's financial liabilities include borrowings, trade and other payables, which are measured at amortised cost using the effective interest rate method.

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 1 Summary of Significant Accounting Policies

#### (g) Financial instruments

##### Impairment of Financial Assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This presents a portion of the asset's lifetime expected credit losses that is attributable to a default even that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

#### (h) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the consolidated statement of financial position.

#### (i) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Those cashflows are discounted using market yields on corporate bonds with terms to maturity that match the expected timing of cashflows.

#### (j) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the unwinding of the discount is taken to finance costs in the consolidated statement of profit or loss and other comprehensive income.

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 1 Summary of Significant Accounting Policies

#### (j) Provisions

##### Provisions for warranties

The cost of rectification work undertaken during construction is charged as an expense in the year in which it is incurred. A provision is recognised for warranty in respect of houses constructed and products sold which are still under the statutory warranty period as at balance date. The provision for warranty has been based upon total sales for the past year and the history of claims made to date. The provision is measured as the present value of future cash flows estimated to be required to settle the warranty obligation.

#### (k) Earnings per share

The Group presents basic and diluted earnings per share information for its ordinary shares.

Basic earnings per share is calculated by dividing the profit attributable to owners of the company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share adjusts the basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

#### (l) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options which vest immediately are recognised as a deduction from equity, net of any tax effects.

#### (m) Right of use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

# Notes to the Financial Statements

For the Year Ended 30 June 2021

## 1 Summary of Significant Accounting Policies

### (n) Lease Liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

### (o) Revenue and other income

Revenue is recognised when it is highly probable that a significant reversal will not occur.

#### Construction Contracts

Contracts entered into are for the construction of residential homes. The construction of each home is taken to be one performance obligation. The transaction price is normally fixed at the start of the contract. When a variation for the building works is required and agreed upon per the contract the variation will be included in the transaction price and accounted for accordingly. As a result, the one performance obligation is recognised and fulfilled over time and as such revenue is recognised over time.

Revenue earned is referenced to the stage of completion of contract activity, based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. Customers are invoiced on achievement of key task milestones in the construction program. Invoices are paid on normal commercial terms.

#### Renewable energy certificates

Revenue from the sale of renewable energy certificates is recognised at the point of delivery or when renewable energy certificates have been approved and are available to meet contract obligations as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those certificates.

#### Franchise revenue

Franchise revenue is recognised once a franchisee has issued progress claims for the framing stage with their customer, and the franchisee charge is a percentage of the total contract. There are additional monthly charges for hardware maintenance, advertising and any other associated costs which can be charged per contracted agreements.

#### Dividend revenue

Dividends are recognised when the entity's right to receive payment is established.

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 1 Summary of Significant Accounting Policies

#### (p) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the consolidated statement of financial position.

Cash flows are included in the consolidated statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

#### (q) Share based payments

The Group operates an equity-settled share based payment employee share scheme. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense immediately with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price.

An Employee Share Plan ('Plan') has been established to enable officers, staff and contractors to participate in the capital growth of the Company. The Group follows this by allowing all Eligible Employees of the Group to be issued shares in the Company.

**Offer to participate** - The Board may, from time to time, at its absolute discretion, issue written offers to eligible employees, inviting them to accept shares in the Company ('Offer'). The Board must make Offers on a non-discriminatory basis to at least 75% of Australian-resident permanent employees who have completed at least 3 years of service (whether continuous or non-continuous) with the Group

**Restriction on disposal** - A participant may not dispose of, deal in, or grant a security interest over, any interest in a share issued under the Plan until the earlier of

- the end of the period of three years commencing on the date of the issue of that share
- the date on which the participant is no longer employed by a Group company; and
- the end of any other period determined by the Board in accordance with relevant law.

**Shares to rank pari passu** - Shares issued under the Plan will rank equally in all respects with ordinary shares in the company for the time being on issue except for any rights attached to the shares by reference to a record date prior to the date of issue.

The Plan is in compliance with the Corporations Act and Listing Rules of ASX as amended or waived from time to time.

# Notes to the Financial Statements

For the Year Ended 30 June 2021

## 1 Summary of Significant Accounting Policies

### (r) Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

#### Key estimates - construction work in progress

The Group uses the stage-of-completion based on the input method in accounting for its fixed-price contracts to deliver construction services as discussed in Note 1(o). Use of the stage-of-completion method requires the Group to estimate the work performed to date as a proportion of the total estimated cost of construction to be performed. The key management personnel regularly review actual costs against contracted budgeted costs at each milestone of the construction cycle.

#### Key estimates - provisions

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes.

As discussed in Note 1(j), in determining the level of provisions required for warranties for construction of homes and products sold, the Group has made judgements in respect of the number of customers who will actually use the maintenance warranty and how often and the costs of fulfilling the performance of the maintenance warranty. Historical experience and current knowledge of the performance of products has been used in determining this provision. The related carrying amounts are disclosed in Note 19. The Group assesses provisions at each reporting date by evaluating conditions specific to the Group that may lead to a provision being raised. Where a future obligation for costs is to be incurred a provision is recognised.

#### Key estimates - lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances

#### Key estimates - incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 1 Summary of Significant Accounting Policies

#### (s) New Accounting Standards Adopted by the Group

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. These did not have a material impact on the Group.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

### 2 Parent entity

The following information has been extracted from the books and records of the parent, Tamawood Limited, and has been prepared in accordance with Accounting Standards.

The financial information for the parent entity, Tamawood Limited, has been prepared on the same basis as the consolidated financial.

	2021 \$'000's	2020 \$'000's
<b>Statement of Financial Position</b>		
<b>Assets</b>		
Current assets	4,310	5,955
Non-current assets	7,324	7,270
<b>Total Assets</b>	<b>11,634</b>	<b>13,225</b>
<b>Liabilities</b>		
Current liabilities	26	177
Non-current liabilities	6,269	3,223
<b>Total Liabilities</b>	<b>6,295</b>	<b>3,400</b>
<b>Equity</b>		
Issued capital	11,426	7,647
Retained earnings	(6,087)	2,178
<b>Total Equity</b>	<b>5,339</b>	<b>9,825</b>
<b>Statement of Profit or Loss and Other Comprehensive Income</b>		
Profit for the year	1,286	2,135
Total comprehensive income	1,286	2,135

Guarantees: The parent entity did not have any guarantees as at 30 June 2021.

Contingent liabilities: The parent entity did not have any contingent liabilities as at 30 June 2021.

Contractual commitments: The parent entity did not have any contractual commitments for the acquisition of property, plant and equipment as at 30 June 2021.



## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 3 Revenue and Other Income

Revenue from continuing operations

	2021	2020
Note	\$'000's	\$'000's
Sales revenue		
- Construction contract revenue	85,476	80,711
- Uninvoiced completed works adjustment	9,885	2,719
- Renewable energy certificates	1,163	7,343
- Franchise revenue	846	678
Other revenue		
- Interest revenue	21	44
- Rental income	473	452
<b>Total Revenue</b>	<b>97,864</b>	<b>91,947</b>
Other Income		
Other	59	110
Lease concession	-	144
Net gain/(loss) on disposal of property, plant, equipment and associates	185	-
<b>Total other income</b>	<b>244</b>	<b>254</b>

Construction contract revenue includes \$85.5m (2020: \$80.7m) of revenue recognised for residential construction which are accounted for over time using the input method. All other revenue is recognised at a point in time.

### 4 Depreciation Expense

Component of depreciation expenses

	2021	2020
	\$'000's	\$'000's
Right of use assets	15 (996)	(931)
Property, plant and equipment	14 (227)	(286)
	<b>(1,223)</b>	<b>(1,217)</b>

### 5 Remuneration of Auditors

	2021	2020
	\$	\$
Remuneration of the auditor of the parent entity, William Buck (Qld) including related entities for:		
- auditing and reviewing the financial report	72,000	70,000
	<b>72,000</b>	<b>70,000</b>

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 6 Income Tax Expense

(a) Components of tax expense

	2021 \$'000's	2020 \$'000's
<b>Current tax expense</b>		
Current income tax	-	1,115
<b>Deferred tax expense</b>		
Relating to origination and reversal of temporary differences	<u>2,767</u>	812
	<u><u>2,767</u></u>	<u>1,927</u>

(b) Reconciliation of income tax to accounting profit

Profit before income tax from continuing operations	<u>9,222</u>	6,404
Prima facie income tax expense at the statutory income tax rate of 30% (2020: 30%)	<u>2,767</u>	1,921
The following items have affected income tax expense for the period:		
Tax effect of:		
- permanent differences	<u>-</u>	6
	<u><u>2,767</u></u>	<u>1,927</u>
 The applicable tax rate for 2021	 <b>30%</b>	 30%

For the 2021 financial year, the effective tax rate is 30% (2020: 30.09%). We note that the 2021 effective tax rate is in line with the effective corporate tax rate.

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 7 Dividends

Dividends paid

2021	2020
\$'000's	\$'000's

The following dividends were declared and paid:

Final dividend of 14 cents (fully franked at 30%) per fully paid share paid 31 August 2020

3,867	-
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Interim dividend of 11 cents (fully franked at 30%) per fully paid share paid 31 March 2021

3,113	-
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**Total**

<b>6,980</b>	<b>-</b>
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Total dividends per share

2021	2020
Cents	Cents

Total dividends per share declared and paid includes the in-specie distribution of SenterpriSys Limited shares component of 2.3cents.

<b>25</b>	<b>-</b>
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Franked dividends declared or paid during the year were franked at the tax rate of 30%.

Franking account

2021	2020
\$'000's	\$'000's

Balance of franking account at year end

2,243	2,052
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**Adjusted for franking credits arising from:**

Payment of provision for income tax

(1,511)	14
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The franking credits available for subsequent financial years at a tax rate of 30%

<b>732</b>	<b>2,066</b>
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The above available balance is based on the dividend franking account at year-end adjusted for:

- Franking credits that will arise from the payment of the current tax liabilities;
- Franking debits that will arise from the payment of dividends recognised as a liability at the year end;
- Franking credits that will arise from the receipt of dividends recognised as receivables at the end of the year.

The current franking credit balance as at 2021 is \$732,159

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 8 Cash and cash equivalents

	2021 \$'000's	2020 \$'000's
Cash at bank	2,886	3,268
Short-term bank deposits	857	4,857
Other cash and cash equivalents	65	38
	<u>3,808</u>	<u>8,163</u>

Reconciliation of cash

Cash and cash equivalents reported in the consolidated statement of cash flows are reconciled to the equivalent items in the consolidated statement of financial position as follows:

	2021 \$'000's	2020 \$'000's
Cash and cash equivalents	<u>3,808</u>	<u>8,163</u>
<b>Balance as per consolidated statement of cash flows</b>	<u><b>3,808</b></u>	<u><b>8,163</b></u>

### 9 Trade and other receivables

	2021 \$'000's	2020 \$'000's
<b>CURRENT</b>		
Trade receivables	379	277
Construction contract progress bills receivable	4,871	5,222
Trade and other receivables (impairments)	9(a) (30)	(30)
<b>Total current trade and other receivables</b>	<u><b>5,220</b></u>	<u><b>5,469</b></u>

(a) Impairment of receivables

Reconciliation of changes in the provision for impairment of receivables is as follows:

Balance at beginning of the year	30	60
Reversal of provision	-	(30)
<b>Balance at end of the year</b>	<u><b>30</b></u>	<u><b>30</b></u>

(b) Aged analysis

The ageing analysis of trade receivables and construction contract progress bills receivable is as follows:

0-30 days	3,898	4,382
31-60 days	552	206
61-90 days (past due not impaired)	174	307
91+ days (past due not impaired)	626	604
	<u><b>5,250</b></u>	<u><b>5,499</b></u>

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 9 Trade and other receivables

#### (b) Aged analysis

The amounts past due date but not impaired are those customers with good credit history and are therefore not impaired.

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements. Refer to Note 30(a) for further details of credit risk management.

### 10. Uninvoiced Completed Works

	Note	2021 \$'000's	2020 \$'000's
CURRENT			
At cost:			
Inventories - Uninvoiced completed works	10(a)	21,004	11,119
Less Provision for deleted jobs		(274)	(377)
		20,730	10,742

Write downs of inventories to net realisable value during the year were \$ NIL (2020: \$ NIL).

#### (a) Construction Contracts

As per the Group's accounting policy detailed at Note 1(o), construction work in progress consists of construction costs incurred and recognised profits, less recognised losses and progress claims invoiced.

	2021 \$'000's	2020 \$'000's
Contract costs incurred plus recognised profits	64,510	44,197
Less: Progress claims	(43,506)	(33,078)
	21,004	11,119

#### (b) Movement in uninvoiced completed works

	2021 \$'000's	2020 \$'000's
Opening balance	11,119	8,400
Additions	95,361	83,430
Transfers to trade and other receivables	(85,476)	(80,711)
<b>Closing balance</b>	<b>21,004</b>	<b>11,119</b>

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 11 Inventories - STC (Renewable energy certificates)

	2021 \$'000's	2020 \$'000's
CURRENT		
At cost:		
Inventories - STC (Renewable energy certificates)	41	152
	<u>41</u>	<u>152</u>

### 12 Other Inventories

	2021 \$'000's	2020 \$'000's
CURRENT		
At cost:		
Display home and home available for sale	664	659
New South Wales developments (Land)	2	2
	<u>666</u>	<u>661</u>

### 13 Other assets

	2021 \$'000's	2020 \$'000's
CURRENT		
Prepayments and other deposits	397	105
	<u>397</u>	<u>105</u>

### 14 Property, plant and equipment

	2021 \$'000's	2020 \$'000's
<b>Motor vehicles</b>		
At cost	1,021	930
Accumulated depreciation	(492)	(546)
<b>Total motor vehicles</b>	<u>529</u>	<u>384</u>
<b>Office furniture &amp; equipment</b>		
At cost	619	933
Accumulated depreciation	(480)	(777)
<b>Total office equipment</b>	<u>139</u>	<u>156</u>
<b>Computer software</b>		
At cost	71	73
Accumulated depreciation	(62)	(47)
<b>Total computer software</b>	<u>9</u>	<u>26</u>

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 14 Property, plant and equipment

	2021 \$'000's	2020 \$'000's
<b>Leasehold Improvements</b>		
At cost	98	86
Accumulated depreciation	(23)	(18)
<b>Total leasehold improvements</b>	<u>75</u>	<u>68</u>
<b>Total property, plant and equipment</b>	<u>752</u>	<u>634</u>

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 14 Property, plant and equipment

- (a) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

<b>Consolidated</b>	<b>Motor Vehicles \$'000's</b>	<b>Office Equipment \$'000's</b>	<b>Computer Software \$'000's</b>	<b>Lease Hold Improvement s \$'000's</b>	<b>Total \$'000's</b>
<b>Year ended 30 June 2021</b>					
Balance at the beginning of year	384	156	26	68	634
Additions	337	69	-	12	418
Disposals - written down value	(70)	(3)	-	-	(73)
Depreciation expense	(122)	(83)	(17)	(5)	(227)
<b>Balance at the end of the year</b>	<b>529</b>	<b>139</b>	<b>9</b>	<b>75</b>	<b>752</b>
<b>Year ended 30 June 2020</b>					
Balance at the beginning of year	509	244	45	78	876
Additions	23	36	11	-	70
Disposals - written down value	(16)	(10)	-	-	(26)
Depreciation expense	(132)	(114)	(30)	(10)	(286)
<b>Balance at the end of the year</b>	<b>384</b>	<b>156</b>	<b>26</b>	<b>68</b>	<b>634</b>



## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 15 Right of use assets

	2021 \$'000's	2020 \$'000's
Land and buildings - Right of use	5,973	5,612
Less: Accumulated depreciation	(1,838)	(931)
	<u>4,135</u>	<u>4,681</u>

Additions to the right-of-use assets during the year were \$451,050.

The consolidated entity leases land and buildings for its offices, warehouses and retail outlets under agreements of between 1 to 10 years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

### 16 Trade and other payables

	2021 \$'000's	2020 \$'000's
CURRENT		
Unsecured liabilities		
Trade payables	3,675	3,003
Other payables	40	33
Dividend payable	45	31
	<u>3,760</u>	<u>3,067</u>

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

### 17 Unbilled accrued expenses

	2021 \$'000's	2020 \$'000's
CURRENT		
Accrued expenses (Unbilled)	3,404	3,432
	<u>3,404</u>	<u>3,432</u>

### 18 Lease Liabilities

	2021 \$'000's	2020 \$'000's
Lease liabilities - Current	874	808
Lease liabilities - Non-current	<u>3,556</u>	<u>4,071</u>

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 19 Provisions

	2021 \$'000's	2020 \$'000's
CURRENT		
Employee benefits	617	612
NON-CURRENT		
Warranties	150	150
Employee benefits	184	143
	<u>334</u>	<u>293</u>
	<u>Warranties</u>	<u>Total</u>
	<u>\$'000's</u>	<u>\$'000's</u>
Opening balance at 1 July 2020	150	150
Additional provisions	-	-
<b>Balance at 30 June 2021</b>	<u>150</u>	<u>150</u>

#### Provision for Warranties

A provision of \$150,000 at 30 June 2021 (2020: \$150,000) has been recognised for estimated warranty claims in respect of houses constructed and products sold which are still under the statutory warranty period as at balance sheet date. The statutory warranty period as stated with the Queensland Building and Construction Commission is between 6 and 7 years of completed building work. The provision for warranties has been based upon total sales for the past year and the history of claims made to date.

Refer to Note 1(j) for the relevant accounting policy and a discussion of the estimations and assumptions applied in the measurement of this provision.

#### Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Group does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current as the Group does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

The measurement and recognition criteria relating to employee benefits have been discussed at Note 1(i).

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 20 Tax

(a) Current tax asset / (liabilities)

	2021 \$'000's	2020 \$'000's
Income tax refundable / (payable)	1,511	(14)
	<u>1,511</u>	<u>(14)</u>

(b) Recognised deferred tax assets and liabilities

	2021 \$'000's	2020 \$'000's
Deferred tax assets	714	434
	<u>714</u>	<u>434</u>
Deferred tax liabilities	6,269	3,223
	<u>6,269</u>	<u>3,223</u>

(c) Deferred tax assets

	Opening Balance \$'000's	Charged to Income \$'000's	Closing Balance \$'000's
<b>Deferred tax assets</b>			
Provisions	54	-	54
Employee benefits	226	15	241
Accrued expenses	16	(1)	15
Deferred tax assets attributable to tax losses	55	250	305
Plant and equipment	10	(10)	-
Lease	60	29	89
Other	13	(3)	10
	<u>434</u>	<u>280</u>	<u>714</u>
<b>Balance at 30 June 2021</b>			
Provisions	63	(9)	54
Employee benefits	206	20	226
Accrued expenses	16	-	16
Deferred tax assets attributable to tax losses	67	(12)	55
Plant and equipment	5	5	10
Lease	66	(6)	60
Other	13	-	13
	<u>436</u>	<u>(2)</u>	<u>434</u>
<b>Balance at 30 June 2020</b>			

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 20 Tax

(d) Deferred tax liability

	Opening Balance \$'000's	Charged to Income \$'000's	Closing Balance \$'000's
<b>Deferred tax liability</b>			
Uninvoiced completed works	3,223	2,996	6,219
Property, plant and equipment	-	50	50
<b>Balance at 30 June 2021</b>	<b>3,223</b>	<b>3,046</b>	<b>6,269</b>
Uninvoiced completed works	2,413	810	3,223
<b>Balance at 30 June 2020</b>	<b>2,413</b>	<b>810</b>	<b>3,223</b>

### 21 Issued Capital

	2021 \$'000's	2020 \$'000's
28,826,782 (2020: 27,612,589) Ordinary shares fully paid	11,426	7,647
	<b>11,426</b>	<b>7,647</b>

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote.

The Company does not have authorised capital or par value in respect of its shares.

(a) Movement in ordinary shares

	2021 \$'000's	2020 \$'000's
At the beginning of the reporting period	7,647	7,647
Shares issued during the year		
- Dividend re-investment	3,628	-
- Shares issued under the Employee Share Scheme and Customer reward program	151	-
<b>At the end of the reporting period</b>	<b>11,426</b>	<b>7,647</b>

	2021 No.	2020 No.
At the beginning of the reporting period	27,612,589	27,612,589
Shares issued during the year		
- Dividend re-investment	1,161,793	-
- Employee Share Scheme and Customer reward program	52,400	-
<b>At the end of the reporting period</b>	<b>28,826,782</b>	<b>27,612,589</b>

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 21 Issued Capital

#### (b) Capital Management

Management controls the capital of the Group in order to maintain a conservative debt to equity ratio, provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern.

The Group is required to maintain a current ratio greater than 1:1 under its licensing conditions with the Queensland Building and Construction Commission and the NSW Home Owners Warranty Scheme.

The capital structure of the Group consists of equity attributable to equity holders of the parent, comprising issued share capital, reserves and retained earnings as disclosed in the statement of financial position.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

#### (c) Dividend Re-investment Plan

The Dividend Re-investment Plan was reinstated on 18 April 2019 and remains in place since that date.

### 22 Reserves

	2021 \$'000's	2020 \$'000's
<b>Transactions with Non-Controlling Interest (NCI) reserve</b>		
Opening balance	(479)	(479)
<b>Ending balance</b>	<u>(479)</u>	<u>(479)</u>

The Transactions with NCI Reserve is used to record the differences described in note 1(b) which may arise as a result of transactions with non-controlling interests that do not result in a loss of control.

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 23 Interests in Subsidiaries

(a) Composition of the Group

	Principal place of business / Country of Incorporation	Percentage Owned (%)* 2021	Percentage Owned (%)* 2020
<b>Subsidiaries:</b>			
Dixonbuild Pty Ltd	Brisbane, Australia	100	100
DixonConstruct Pty Ltd	Brisbane, Australia	100	100
Dixon NSW Pty Ltd	Sydney, Australia	100	100
DixonRes Pty Ltd	Brisbane, Australia	100	100
Dixon Systems Pty Ltd	Brisbane, Australia	100	100
SolarpowerRex Pty Ltd	Brisbane, Australia	70	70
SolarRex Pty Ltd	Brisbane, Australia	70	70
TamawoodL Pty Ltd	Brisbane, Australia	100	100

\*The percentage of ownership interest held is equivalent to the percentage voting rights for all subsidiaries.

(b) Significant restrictions relating to subsidiaries

There are no significant restrictions over the Group's ability to access or use assets, and settle liabilities, of the Group.

(c) Non-controlling interests

None of the Group's subsidiaries have non-controlling interests that are material to the Group.

(d) Transactions with Non-controlling interests

Note: the increase / decrease to parent equity is recorded in the Transactions with Non-controlling Interest reserve.

### 24 Investment in Associates

	Principal place of business / Country of Incorporation	Percentage Owned (%)* 2021	Percentage Owned (%)* 2020
<b>Associates:</b>			
Senterprisys Limited (Formerly Resiweb Limited)	Brisbane, Australia	10.23	23.13

\*The percentage of ownership interest held is equivalent to the percentage voting rights for all associates. During the year, the Company divested shares as an in-specie dividend on a 1 for 3 basis to Tamawood Shareholders.

All associates have the same year end as the parent entity.

There are no significant restrictions on the ability of associates to transfer funds to the Group in the form of cash dividends or to repay loans or advances made by the entity.

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 24 Investment in Associates

#### Senterprisys Limited (Formerly Resiweb Limited)

Senterprisys Limited is a public company that is developing a software system including back-office and client interface processes to support small home builders. The Group's interest in the company represents a strategic investment.

### 25 Contingencies

In the opinion of the Directors, the Group did not have any contingencies at 30 June 2021 (30 June 2020: None) except as follows:

From time to time the Group receives claims from its customers and third parties in relation to rectification to building faults and other claims. The Directors' believe that these types of claims currently outstanding are not material to the results of the financial statements and in any case can be resolved with the respective parties. Other legal claims are adequately covered by its insurance and it is unlikely that the Group will be required to meet the costs of the claims, apart from the normal insurance excess requirements.

#### Contingent Assets

At the reporting date the Group had no contingent assets.

### 26 Operating Segments

#### Segment information

The Group has identified it has one operating segment based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 27 Cash Flow Information

Reconciliation of profit for the year to net cash from operating activities

	2021 \$'000's	2020 \$'000's
Profit after income tax for the year	6,455	4,477
Adjustments for non-cash items in profit:		
- depreciation	1,223	1,217
- net (gain)/loss on disposal of property, plant and equipment	(5)	10
- net (gain)/loss on distribution of in-specie shares	(178)	-
- customer reward program	151	-
Provision for impairment of receivables	-	30
AASB16 transition adjustment	-	(139)
Net changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	249	(64)
- (increase)/decrease in prepayments	(292)	(76)
- (increase)/decrease in inventories	106	(21)
- (increase)/decrease in uninvoiced completed works	(9,988)	(2,700)
- (increase)/decrease in deferred tax assets	(280)	(64)
- increase/(decrease) in trade and other payables	693	(105)
- increase/(decrease) in income taxes payable	(1,525)	100
- increase/(decrease) in deferred tax liabilities	3,046	810
- increase/(decrease) in provisions	46	68
- increase/(decrease) in unbilled accrued expenses	(28)	1,170
- increase/(decrease) in other payable	-	(12)
<b>Net cash from operating activities</b>	<b>(327)</b>	<b>4,701</b>

### 28 Key Management Personnel Disclosures

Key management personnel remuneration included within employee expenses and consultancy expenses for the year is shown below:

	2021 \$	2020 \$
Short-term employee benefits	745,837	703,056
Long-term benefits	6,963	15,374
Post-employment benefits	46,592	43,733
Termination benefits	-	-
	<b>799,392</b>	<b>762,163</b>

The Remuneration Report contained in the Directors' Report contains details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2021.



## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 29 Related Parties Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Amounts receivable from related parties for the sale and purchase of goods and services are unsecured and interest free and are included in the balances of trade and other receivables. Balances are settled within normal trading terms or as per agreement with the Board. No provisions for doubtful debts have been recognised on these outstanding balances, nor have any bad debt expenses been incurred.

- (a) The Group's main related parties are as follows:

*(i) Key management personnel:*

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity are considered key management personnel ('KMP').

AstiVita Limited and Advanced NanoTek Ltd. (ANO) are deemed to be related party of Tamawood Limited by virtue of Mr L Mizikovsky, Non-executive Director of Tamawood Limited, having a controlling interest in AstiVita and ANO. Transactions between the Group and the above related parties are disclosed below.

Transactions with KMP and their related parties, excluding remuneration, are shown below. Amounts disclosed below are rounded to the nearest dollar.

For details of remuneration disclosures relating to KMP, refer to Note 28 and the remuneration report in the Directors' Report.

*(ii) Entities subject to significant influence by the Group (associates):*

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence.

The Group's only associate is SenterpriSys Limited as detailed in Note 24.

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 29 Related Party Transactions

(b) Transactions with related parties

(i) Sale of goods and services

	2021	2020
	\$	\$
<i>Key management personnel:</i>		
<b>Mr L Mizikovsky - Non-executive Director</b>		
Sales to an entity controlled by Mr L Mizikovsky		
- for construction of homes under normal commercial terms by Dixonbuild Pty Ltd	458,472	315,933
- insurances	9,313	9,920
<b>Mr G Acton - Joint Company Secretary</b>		
- Rent collected on leased property & miscellaneous services	11,539	43,252
- for construction of homes under normal commercial terms by Dixonbuild Pty Ltd	-	490,247
<b>Mr. T Bartholomaues - Managing Director</b>		
- for construction materials supplied by Dixonbuild Pty Ltd	-	682
<i>Related party</i>		
<b>AstiVita Limited</b>		
- Sales to AstiVita for advertising, IT & admin and lease of premises	145,143	94,520
- Sales of PV Panels	-	38,326
<b>Advanced NanoTek Limited</b>		
- Sales to ANO for IT and administration services	42,674	26,651
- Rent on sub-leased property	74,872	109,013
<i>Associates:</i>		
<b>Senterprisys Limited (Formerly Resiweb Limited)</b>		
- Accounting and general services provided	20,545	42,431
- Rent collected on leased property	25,851	24,726
- Insurance fees charged by Tamawood Ltd.	1,242	1,240
<b>CyberguardAU Pty Ltd</b>		
- Rent on sub leased property & administration costs	5,982	6,703
- Insurance fees charged by Tamawood Ltd.	621	-

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 29 Related Party Transactions

(b) Transactions with related parties

(ii) Purchase of goods and services

	2021	2020
	\$	\$
<i>Key management personnel:</i>		
<b>Mr L Mizikovsky - Non-executive Director</b>		
- Lease of premises from an entity controlled by Mr L Mizikovsky	167,513	196,121
- Accounting & general services	2,200	-
<b>Mr G Acton - Joint Company Secretary</b>		
- Provision of management services to SolarpowerRex Pty Ltd	9,134	104,875
- Provision of consulting, secretarial and payroll services to subsidiaries within the Group	226,694	31,771
<i>Related party</i>		
<b>AstiVita Limited</b>		
- Purchase of materials including bathroom, kitchen and solar products	1,556,240	1,327,206
- Accounting & general services	2,964	-
<b>Advance NanoTek Limited</b>		
- Purchase of materials	-	62,362
- Accounting & general services	13,540	-
<i>Associates:</i>		
<b>Senterprisys Limited (Formerly Resiweb Limited)</b>		
- Computer support services provided to the Group	964,661	631,012
<b>CyberguardAU Pty Ltd</b>		
- Software services provided to the Group	4,064	22,161
<b>Winothai Pty Ltd</b>		
- Management services provided to the group	11,050	10,725
<b>Bart Inc Family Trust</b>		
- Provision of management services to SolarpowerRex Pty Ltd	423	1,622

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 29 Related Party Transactions

(b) Transactions with related parties

(iii) Outstanding balances

	2021	2020
	\$	\$
<i>Key management personnel:</i>		
<b>Mr L Mizikovsky - Non-executive Director</b>		
- Amounts receivable for construction material supplied and miscellaneous services by Dixonbuild Pty Ltd	3,860	14,490
<i>Related party</i>		
<b>AstiVita Limited</b>		
- Amounts receivable for sales	30,198	135,562
- Amounts receivable for IT & admin services and rent	13,567	12,099
<i>Associates</i>		
<b>Senterprisys Limited (Formerly Resiweb Limited)</b>		
- Amounts payable for purchases from Dixonbuild Pty Ltd and Dixon Systems Pty Ltd	517	34,858
<b>Advance NanoTek Limited</b>		
- Amount receivable for sales	84,067	59,516
- Amount receivable for IT & tenant services	42,410	24,188
<b>G&amp;S Quality Systems Pty Ltd</b>		
- Amount receivable for sales	5,755	163

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 30 Financial Risk Management

This note discloses the Group's objectives, policies and processes for managing and measuring these risks.

The Group is primarily exposed to the following financial risks:

- Market risk - interest rate risk
- Credit risk
- Liquidity risk

Objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and whilst remaining ultimately responsible for them, it has delegated the authority to management for developing and operating processes that ensure the effective implementation of the objectives and policies of the Group's finance function. The Group's risk management policies and objectives are therefore designed to minimise the potential impact of these risks on the results of the Group where such impact may be material.

The Group's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and accounts payable.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Specific information regarding the mitigation of each financial risk to which the Group is exposed is provided below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The objective of the Group is to minimise the risk of loss from credit risk exposure.

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposure to customers, including outstanding receivables and committed transactions.

There is no significant concentration of credit risk with respect to current and non-current receivables as the Group has a large number of customers. The nature of the Group's business is such that 89% (2020: 91%) of the Group's current trade receivables were individual construction contracts which were secured by external lending institutions. The largest single construction receivable was \$214,130 (2020: \$285,941) and has been fully received. The remainder of the Group's current trade receivables is represented by debtors of the Franchise segment. The largest single receivable was \$198,991 (2020: \$84,677). Therefore, the Group does not have any material credit risk exposure to any single receivable or group of receivables. The Board believe that the Group's receivables are adequately diversified therefore ensuring the Group does not have significant credit risk.

The Group's maximum exposure to credit risk, without taking into account the value of any collateral or other security, in the event other parties fail to perform their obligations under financial instruments in relation to each class of recognised financial asset at reporting date is the carrying amount of those assets (net of any provisions) as presented in the statement of financial position.

Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed in Note 9. Refer to Note 9 for an ageing analysis and movement in provision for impairment of receivables.

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 30 Financial Risk Management

#### (a) Credit risk

The credit risk for cash and cash equivalents and deposits with banks and financial institutions is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

#### (b) Liquidity risk

Liquidity risk arises from the Group's management of working capital. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due (e.g. funding work-in-progress).

The Group's policy is to ensure, as much as possible, that it will always have sufficient cash to allow it to meet its liabilities when they become due, under normal and stressed conditions. The Group is required to maintain a current ratio of 1:1 under its licensing conditions with the Queensland Building and Construction Commission and NSW Home Owners Warranty Scheme. The Group achieves the required ratios by holding sufficient cash in liquid form and carefully monitoring the timing of its commitments.

At the reporting date, the Group is expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

	2021 \$'000's	2020 \$'000's
Current assets	32,373	25,292
Current liabilities	<b>(8,655)</b>	(7,933)
<b>Working capital</b>	<b>23,718</b>	17,359

The table below reflects an undiscounted contractual maturity analysis for financial liabilities.

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates. The timing of expected outflows is not expected to be materially different from contracted cashflows. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the consolidated statement of financial position due to the effect of discounting.

	Within 12 months		1 to 5 Years		Greater than 5 Years		Total *	
	2021 \$'000's	2020 \$'000's	2021 \$'000's	2020 \$'000's	2021 \$'000's	2020 \$'000's	2021 \$'000's	2020 \$'000's
<b>Financial liabilities due for payment</b>								
Trade and other payables	7,164	6,499	-	-	-	-	7,164	6,499
Lease liabilities	1,052	1,008	2,891	2,895	1,100	1,760	5,043	5,663
Total contractual outflows	<b>8,116</b>	7,507	<b>2,891</b>	2,895	<b>1,100</b>	1,760	<b>12,207</b>	12,162

\* The total contractual cash flows approximate the carrying amounts as presented in consolidated statement of financial position

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 30 Financial Risk Management

#### (c) Market risk

The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising return. Market risk exposures comprise mainly interest rate risk.

#### (i) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

Interest rate risk is managed by ensuring that any excess cash within the Group is utilised in reducing any borrowing facilities. The Group repaid its borrowing facilities during the 2012 financial year and currently have no borrowings.

The following table illustrates the sensitivity of the net result for the year and equity to a reasonably possible change in interest rates of +/-1% (2020: +/-1%). These changes are considered to be reasonably possible based on observation of current market conditions.

The calculations are based on the financial instruments held at each reporting date. All other variables are held constant.

Consolidated	2021		2020	
	\$'000s		\$'000s	
	+1%	-1%	+1%	-1%
Profit	38	(38)	82	(82)
Equity	38	(38)	82	(82)

The movements in profit are due to higher/lower interest received from cash balances. The sensitivity analysis is performed on the same basis as in the prior year other than the change in relevant risk variable.

#### (d) Fair value measurements

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The Group's financial assets and financial liabilities consist only of short-term trade receivables and payables. Due to the short-term nature of trade receivables and payables, the carrying amounts as presented in the consolidated statement of financial position are assumed to approximate their fair values.

### 31 Events Occurring After the Reporting Date

On 2 August 2021 a dividend of 13 cents per share was announced, to be paid on 6 September 2021.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 32 Earnings per Share

(a) Earnings used to calculate overall earnings per share

	2021 \$'000's	2020 \$'000's
Profit attributable to members of the parent entity used in the calculation of basic and diluted EPS	6,455	4,477

(b) Weighted average number of shares used

	2021 No.	2020 No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic and diluted EPS	28,312,713	27,612,589

### 33 Company Details

The registered office of the company is:

Tamawood Group  
 1821 Ipswich Road  
 Rocklea QLD 4074

The principal places of business are:

**Dixon Homes**  
 1821 Ipswich Road  
 Rocklea  
 Queensland 4106

**Dixon Homes**  
 684 Nicklin Way  
 Currimundi  
 Queensland 4572

**Dixon Homes**  
 Shop 1, 10 Kerr St.  
 Ballina  
 New South Wales 2478

**Dixon Homes**  
 Unit 1, 50 Lawrence Drive  
 Nerang  
 Queensland 4211

**Dixon Homes**  
 Suite 11, 39 Old Cleveland Rd  
 Capalaba Business Centre  
 Queensland 4157

**Dixon Homes**  
 992 Gympie Road  
 Chermside  
 Queensland 4032

**Dixon Homes**  
 12A, 189 Anzac Ave  
 Toowoomba  
 Queensland 4350

**Dixon NSW**  
 Unit 2/141 Gordon St.  
 Port Macquarie  
 New South Wales 2444

**Dixon Homes**  
 246 cnr Anders & Tamborine St.  
 Jimboomba  
 Queensland 4280

**Dixon Homes**  
 4424 Warrego Highway  
 Plainlands  
 Queensland 4341

**Dixon NSW**  
 137 Melbourne St.  
 East Maitland  
 New South Wales 2323

**Dixon Homes**  
 80 Boat Harbour Drive  
 Pialba  
 Queensland 4655

**Dixon Homes**  
 Shop 3, 98 River Road,  
 Gympie  
 Queensland 4570

**Dixon Homes**  
 305 Pacific Highway  
 Coffs Harbour  
 New South Wales 2450



## Directors' Declaration

For the Year Ended 30 June 2021

The directors of the Company declare that:

1. the financial statements and notes for the year ended 30 June 2021 are in accordance with the *Corporations Act 2001*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements and:
  - a. comply with Accounting Standards, which, as stated in accounting policy note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
  - b. give a true and fair view of the financial position and performance of the consolidated group;
2. the Managing Director has given the declarations required by Section 295A that:
  - a. the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
  - b. the financial statements and notes for the financial year comply with the Accounting Standards; and
  - c. the financial statements and notes for the financial year give a true and fair view.
3. in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



**Mr Robert Lynch**  
Non-Executive Chairman

Dated: 12 August 2021

## Tamawood Limited

Independent auditor's report to members

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Tamawood Limited (the Company and its subsidiaries (the Group)), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### ACCOUNTANTS & ADVISORS

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Brisbane QLD 4000  
GPO Box 563  
Brisbane QLD 4001  
Telephone: +61 7 3229 5100  
[williambuck.com](http://williambuck.com)

## KEY AUDIT MATTER

<b>Uninvoiced completed works and revenue recognition</b> Refer also to notes 1(e) 1(o) , 1(r) and 10	<b>How our audit addressed it</b>
<p>Uninvoiced completed works of \$20.730million is significant to the financial statements.</p> <p>Uninvoiced completed works is based on the application of AASB 15 Revenue from Contracts with Customers, with revenue recognised in accordance with the stage of completion based on the input method. The calculation of the stage of completion of the contract activity is based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs and is material to the estimation of revenue to be recognised in the financial statements.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>— On a sample basis, performing site inspections throughout the financial year to determine the status of construction projects and compared this to the Group's accounting records and construction information system;</li> <li>— Testing the design and operation of controls regarding the recognition of revenue and work in progress;</li> <li>— Analysis of data contained in the construction information system, including tracing back to individual contracts;</li> <li>— Substantive tests of details in respect of tracing to individual contracts, bank statements and construction information system and accounting records;</li> <li>— Analytical procedures in respect of gross margin, number of contracts signed, progress payments received and constructions completed.</li> </ul> <p>We have also assessed the adequacy of disclosures in the notes to the financial statements.</p>

### Other Information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2021, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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### **Responsibilities of the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of these financial statements is located at the Auditing and Assurance Standards Board website at:

[http://www.auasb.gov.au/auditors\\_responsibilities/ar1.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf)

This description forms part of our independent auditor's report.

## **Report on the Remuneration Report**

### **Opinion on the Remuneration Report**

We have audited the Remuneration Report included in pages 8 to 12 of the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Tamawood Limited, for the year ended 30 June 2021, complies with section 300A of the *Corporations Act 2001*.

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**Responsibilities**

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

William Buck

**William Buck (Qld)**  
ABN 21 559 713 106

M. Monaghan

**M J Monaghan**  
Director

Brisbane, 12 August 2021

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## Shareholder Information

### ASX Additional Information

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below. This information is effective as at 30 July 2021.

### Voting rights

#### Ordinary Shares

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

Voting rights of shareholders are governed by the Company's Rules. In summary, a shareholder is entitled to exercise one vote for each share on any question arising from a meeting of the Company.

Members wishing to appoint proxies may do so in accordance with the Corporations Act 2001 and Rules of the Company.

### Distribution of equity security holders

Holding	No. of Shares	No. of Holders
1 – 1,000	298,308	1,445
1,001 – 5,000	1,493,997	527
5,001 – 10,000	1,533,864	208
10,001 – 100,000	4,908,186	207
100,001 and over	20,592,427	19
	<b>28,826,782</b>	<b>2,406</b>

There were 942 holders of less than a marketable parcel of ordinary shares

## Corporate Governance Statement

30 June 2021

The objective of the Board of Tamawood Limited ("Tamawood") is to create and deliver long term shareholder value through a range of diversified but interrelated activities around home design, project management services and home contract construction.

Tamawood and its subsidiaries operate as a single economic entity under a unified Board and management. As such, the Board's corporate governance arrangements apply to all entities within the economic Group ("the Group").

Tamawood Limited has adopted the recommendations of the ASX Corporate Principles and Recommendations Edition 4. Tamawood has completed and lodged an Appendix 4G and Corporate Governance Statement in conjunction with the lodgement of its Annual Report. Tamawood has clearly explained in its governance strategy where principles have been adopted and if not why not.

The company's charters, committees and corporate governance principles are on our website [www.tamawood.com.au](http://www.tamawood.com.au)

## Shareholder Information

### Substantial shareholders

The number of substantial shareholders and their associates are set out below:

### Twenty largest shareholders

	Number held	% of issued shares
ANKLA PTY LTD	7,400,885	24.35
RAINROSE PTY LTD	6,217,030	20.72
MUTUAL TRUST PTY LTD	1,680,457	5.71
NOWCASTLE PTY LTD	1,333,216	4.49
STODDART BUILDING PRODUCTS PTY LTD	557,644	1.91
RIPELAND PTY LTD	526,779	1.88
MR ROBERT PATRICK LYNCH + MS SINEAD JOSEPHINE LYNCH <LYNCH FAMILY S/F A/C>	512,500	1.85
MR TIMOTHY MARK BARTHOLOMAEUS + MS PATRESE CAROLINE BARTHOLOMAEUS <BART INC FAMILY A/C>	460,000	1.66
MR ANDREW THOMAS + MRS TANIA THOMAS <AB THOMAS SUPER FUND A/C>	375,225	1.36
SUNSTAR AUSTRALIA PTY LTD	318,631	1.01
MR ANDREW BARRY THOMAS	210,779	0.76
COOLTRAC PTY LTD	181,140	0.66
ROLLEE PTY LTD	141,688	0.62
GENERAL PACKAGING PTY LTD	125,131	0.51
MRS MEREDITH BERNICE KUHNEMANN	125,000	0.45
KIRKFARE PTY LTD	110,526	0.45
FREEDMAN INVESTMENTS PTY LTD <FREEDMAN ENTERPRISES A/C>	107,550	0.40
MIZI SUPERANNUATION PTY LTD <MIZI SUPER FUND A/C>	107,145	0.39
IZMO PTY LTD <SIMIZ A/C>	101,101	0.37
MR RICK STEVEN GOULD	94,804	0.36
	<b>20,687,231</b>	<b>71.76</b>

### Securities exchange

The Company is listed on the Australian Securities Exchange (ASX code: TWD).

### Share registry

The register of security holders of the Company is kept at the office of Computershare Investor Services Pty Limited.

Level 1, 200 Mary Street  
Brisbane QLD 4000

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