

**TASMEA
LIMITED**



FY24 Results Presentation

For the 12 months ended
30 June 2024



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Performance highlights

(Pro Forma) Revenue

\$407m

▲ 10.8% on \$368m in FY23

(Pro Forma) EBIT

\$54.8m

▲ 1.5% on Prospectus target
▲ 27.4% on \$43.0m in FY23

(Pro Forma) NPAT

\$36.9m

▲ 10.3% on Prospectus target
▲ 29.9% on \$28.4m in FY23

Performance highlights

(Statutory) Revenue

\$400m

▲ 25.0% on \$320m in FY23

(Statutory) EBIT

\$46.4m

▲ 53.2% on \$30.3m in FY23

(Statutory) NPAT

\$30.5m

▲ 56.5% on \$19.5m in FY23

(Statutory) Operating Cashflow

\$49.8m

107% OCF before interest and tax to EBIT

EPS (Stat)

EPS (Pro Forma)

15.2c~18.4c

▲ 53.5% on 9.9c in FY23

Fully Franked
Final Dividend FY24 Total Dividend

4.0c 6.5c

▲ 100.0% on 2.0c
FY23 Final
Dividend

▲ 85.7% on 3.5c
FY23 Total
Dividend

TASMEA Business overview

Tasmea owns and operates 22 inter-dependent leading Australian diversified specialist trade skill services businesses focusing on maintenance, shutdown, breakdown and brownfield upgrade services of fixed plant for blue chip essential asset owner customer base.

Yura Yarta is a registered supply nation business in which Tasmea has a 49% shareholding

ELECTRICAL



MECHANICAL



CIVIL



WATER & FLUID






Company highlights

- Blue-chip customer base supporting specialist high margin business
- Focus on specialist maintenance segment of the mining services market
- High ROE and cash generating business
- Clear program to grow organically and by programmatic acquisition
- Founder led and incentivised management team
- Tasma delivers specialist, not generalist, skilled trade-based services primarily to essential fixed plant asset owners, generally in remote locations, which generates stronger margins



Recent Acquisitions

Tasmea is now positioned with an end-to-end electrical capability with the recent Future Group acquisition, enabling Tasmea Group to offer fully integrated solutions which is a unique capability in the national electrical service sector

SUBSIDIARY	OVERVIEW	ACQUISITION RATIONALE
 <p>FUTURE GROUP August 2024</p> <p>Acquisition \$84.5m</p> <p>Maintainable EBIT \$15.5m</p>	<ul style="list-style-type: none"> Specialises in the design, manufacture, supply, and installation of communication structures and high voltage powerline infrastructure 	<ul style="list-style-type: none"> Highly attractive and earnings accretive acquisition Leverages the rapidly growing electrification demand in Australia Significant revenue synergistic benefits with existing Tasmea subsidiaries Highly skilled and strong management team Further strengthens Tasmea's strategy to expand its specialist trade skills offering into industries/sectors with strong tailwinds
 <p>WCLS LINING SYSTEMS August 2024</p> <p>Acquisition \$11.5m</p> <p>Maintainable EBIT \$3.1m</p>	<ul style="list-style-type: none"> Specialises in the supply and installation of geomembrane liners Environmental protection in solid waste management, mining, and water containment applications 	<ul style="list-style-type: none"> Highly attractive and earnings accretive acquisition Cross-selling opportunities with customers of WCLS and Tasmea's civil businesses in the Pilbara, WA Expands Tasmea's water and fluid solutions into WA's large geomembrane market. WCLS holds an estimated 20% of the WA geosynthetics market
 <p>DINGO CONSTRUCTION SERVICES June 2024</p> <p>Acquisition \$6.5m</p> <p>Maintainable EBIT \$2.0m</p>	<ul style="list-style-type: none"> Remote civil construction Remote concrete supply 	<ul style="list-style-type: none"> Strong cashflow business with diverse customer base and limited working capital requirements Cross-skilled and adaptable workforce with a long history of service Complements the existing service offering of North-West Mining & Civil in the Pilbara and allows for vertical integration of services in the Pilbara

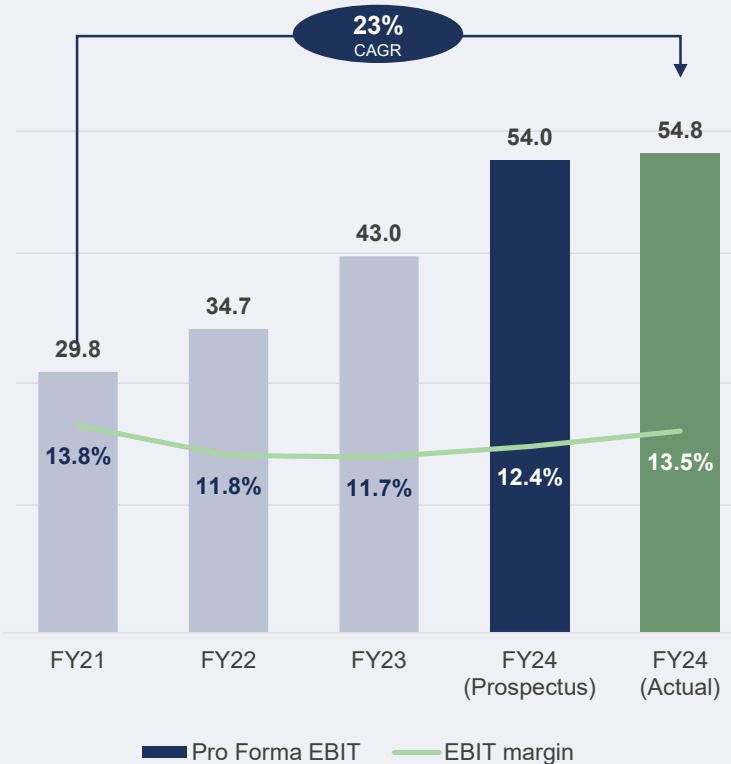
Comparison to prospectus

Tasmea has outperformed Prospectus projections for EBIT and NPAT on a Pro Forma basis

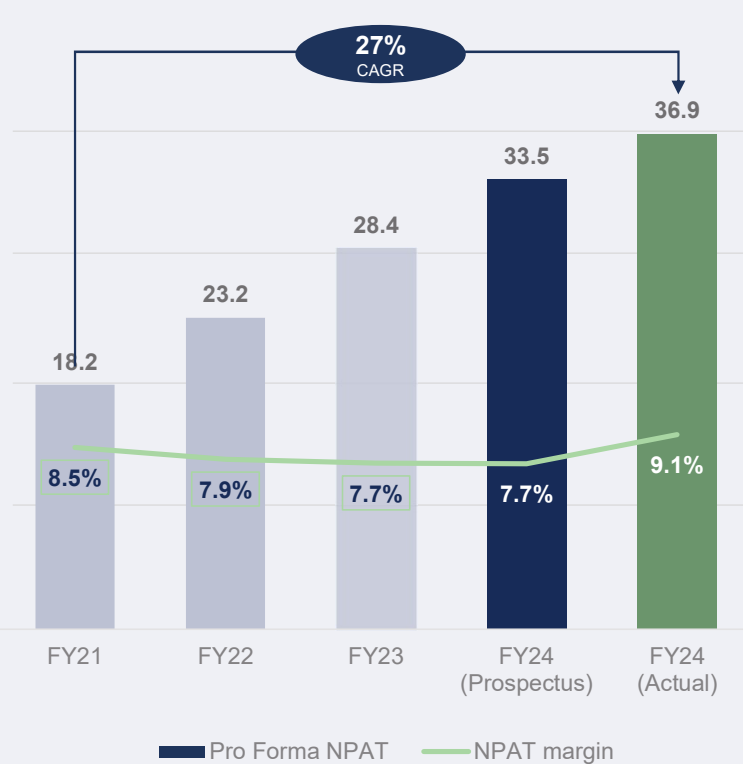
KEY HIGHLIGHTS

- Tasmea achieved a Pro Forma EBIT of \$54.8m in FY24, surpassing the Prospectus forecast of \$54.0m
- EBIT margin improved to 13.5% in FY24
- Tasmea achieved a Pro Forma NPAT of \$36.9m in FY24, surpassing the Prospectus forecast of \$33.5m
- Tasmea has achieved an FY21 to FY24 EBIT and NPAT CAGR of 23% and 27% respectively

Group Pro Forma EBIT and Margin (\$m)



Group Pro Forma NPAT and Margin (\$m)



Group financial performance

Tasmea delivered strong financial growth in comparison to FY23 on both a pro forma and statutory basis

Pro Forma	FY24	FY23	Change	Change
Results Summary	\$m	\$m	\$m	%
Revenue	407.4	367.5	39.8	10.8%
Gross Margin	116.8	104.9	11.8	11.3%
EBIT	54.8	43.0	11.7	27.3%
Interest expense (net)	(5.2)	(3.9)	(1.3)	34.7%
NPBT	49.6	39.2	10.4	26.6%
Income tax expense	(12.6)	(10.7)	(1.9)	17.7%
NPAT	36.9	28.4	8.5	29.9%

COMMENTARY

- Revenue increased by \$39.8m, a 10.8% increase compared to FY23
- EBIT increased by \$11.7m, a 27.3% increase compared to FY23
- The Group's improved trading results reflect the ongoing strategic focus on recurring revenue generated from providing specialist trade maintenance, shutdown and skilled labour services to "Essential Industry" asset owners often in remote locations

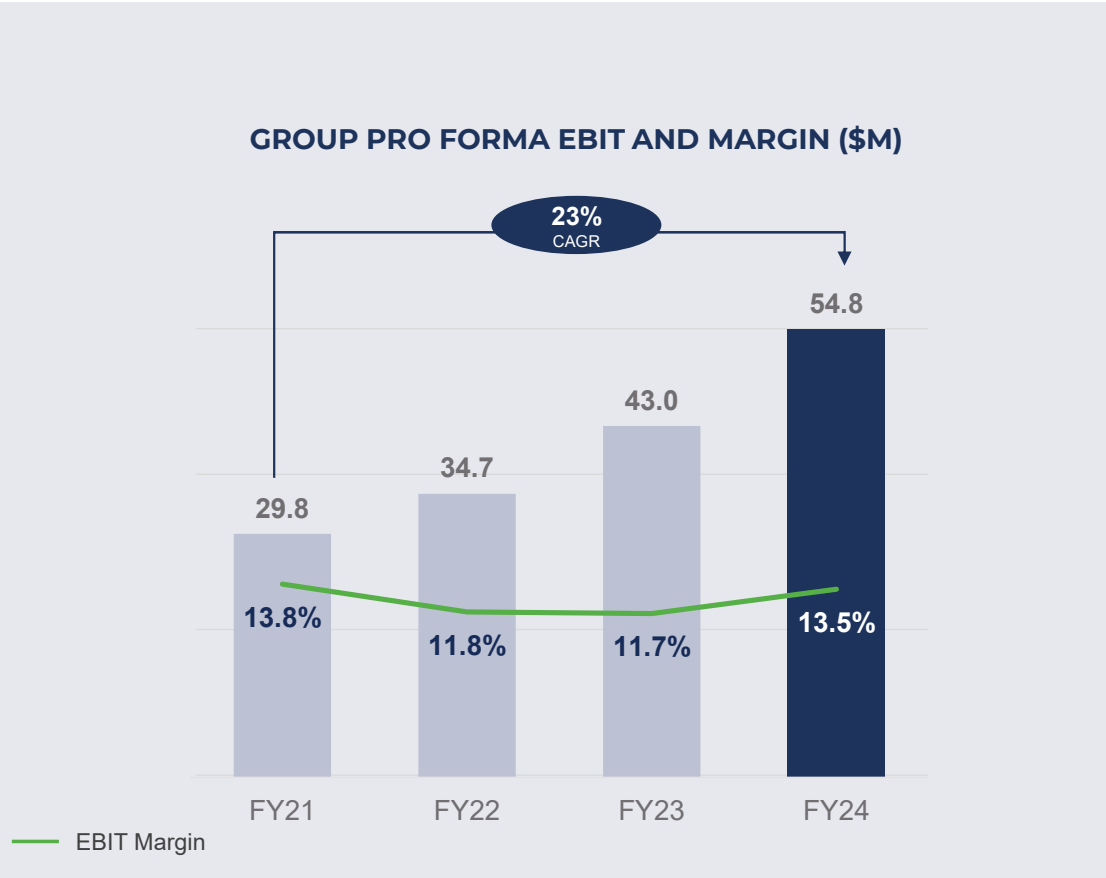
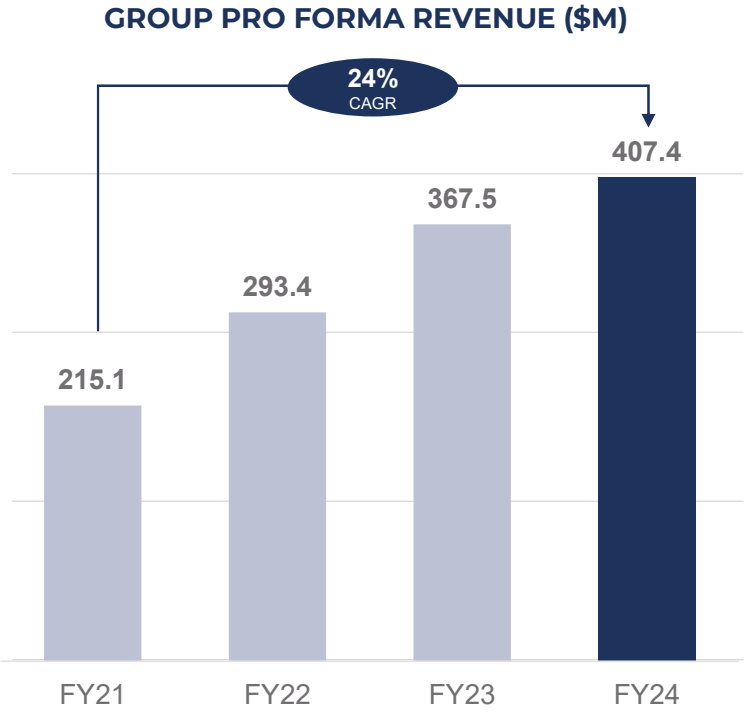
Statutory	FY24	FY23	Change	Change
Results Summary	\$m	\$m	\$m	%
Revenue	400.0	320.0	80.0	25.0%
Gross Margin	114.0	82.4	31.6	38.4%
EBIT	46.4	30.3	16.1	53.2%
Interest expense (net)	(5.2)	(3.5)	(1.7)	49.3%
NPBT	41.2	26.8	14.4	53.8%
Income tax expense	(10.7)	(7.3)	(3.4)	46.4%
NPAT	30.5	19.5	11.0	56.5%

COMMENTARY

- Revenue increased by \$80.0m, a 25.0% increase compared to FY23
- EBIT increased by \$16.1m, a 53.2% increase compared to FY23

Comparative financial performance

Demonstrated growth track record



Group Financial Position

Tasmea has a strong financial position with an efficient working capital profile

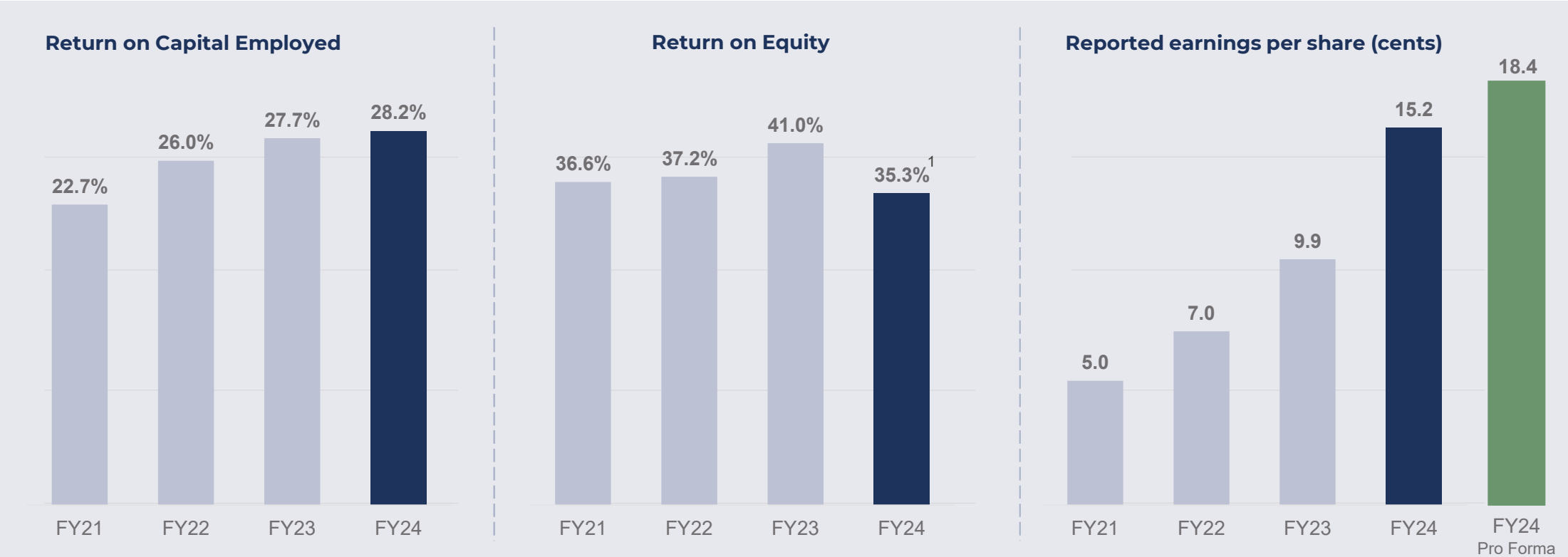
GROUP BALANCE SHEET		30 June 2024
\$m		Statutory
Trade and other receivables		59.5
Inventories and contract assets		37.7
Other assets		15.9
Trade and other payables		(57.9)
Other liabilities		(37.8)
Working capital		17.3
Property, plant and equipment		57.6
Intangibles		89.4
Total fixed and intangible assets		147.0
Capital employed		164.3
Working Capital / Sales		4.3%
Return on Capital Employed		28.2%
NET DEBT		30 June 2024
\$m		Statutory
Term Loans		37.4
Finance Lease Liabilities		17.5
Other short term loans		3.4
Total indebtedness		58.3
Cash and cash equivalents		25.1
Net debt		(33.2)
Net debt to pro forma EBIT		0.6x

KEY HIGHLIGHTS

- Low working capital requirement as a percentage of sales driven by well-managed EBIT to operating cash flow conversion before interest and tax
- As an owner of specialist service businesses, Tasmea's business model is capital light
- Attractive return on capital employed demonstrates disciplined and effective capital utilisation to generate earnings
- Tasmea's positive operating cash flow has enabled the repayment of interest-bearing debt whilst pursuing organic growth and programmatic acquisition growth
- Conservative Net Debt to EBIT of 0.6x considering consistent predictable cashflows and strong debt amortisation profile

Group Financial Performance

Strong financial metrics



Note: 1) IPO capital raised in April 2024, not deployed until after June 2024



Electrical Segment

Tasmea's electrical segment continues to show strong year on year EBIT growth with more to come

FY24 Revenue

\$137m

▲ 11.8% on FY23

FY24 EBIT

\$14.7m

▲ 37.0% on FY23

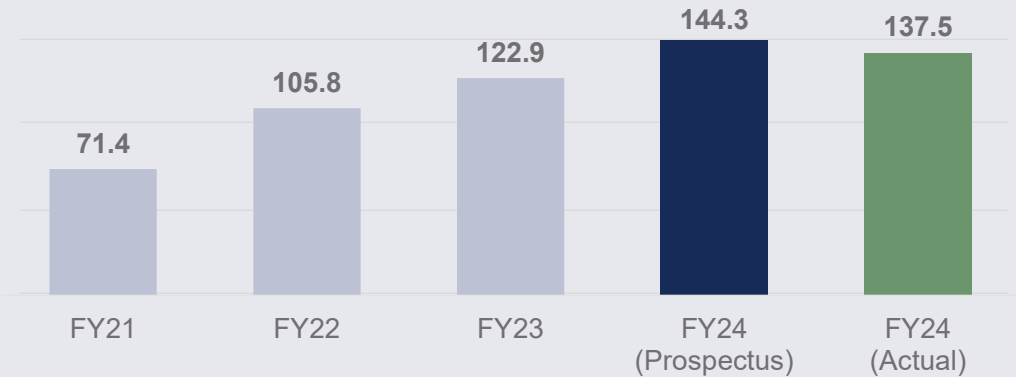
KEY HIGHLIGHTS

- FY24 revenue of \$137m, an 11.8% increase from FY23
- FY24 EBIT of \$14.7m, a 37.0% increase from FY23
- Actual pro forma revenue fell short of the Prospectus target as a result of the deferral of Q4 works to FY25, however EBIT was achieved due to higher margin businesses achieving or exceeding revenue
- Flexible workforce arrangements enabled achievement of an EBIT margin of 10.7%, notwithstanding slightly lower revenue
- Electrical segment pro forma revenue and EBIT have grown at a FY21 to FY24 CAGR of 24.4% and 33.6% respectively
- Acquisition of Future Engineering Group is expected to deliver significant growth in this segment

Note: Corporate revenue and EBIT has been allocated between each segment on a weighted basis

Pro Forma Revenue (\$m)

24.4% CAGR



Pro Forma EBIT and Margin (\$m)

33.6% CAGR



Mechanical Segment

Tasmea's mechanical segment outperformed the Prospectus target at an EBIT level

FY24 Revenue

\$142m

▲ 5.6% on FY23

FY24 EBIT

\$22.5m

▲ 9.8% on FY23

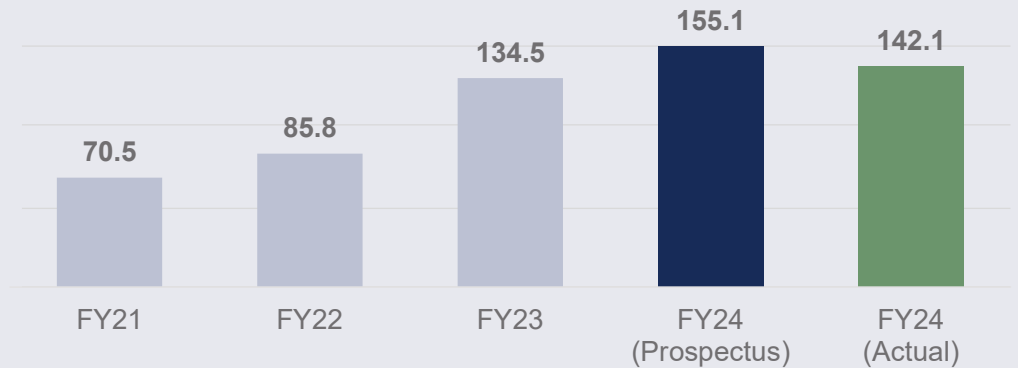
KEY HIGHLIGHTS

- FY24 revenue of \$142m, a 5.6% increase from FY23
- FY24 EBIT of \$22.5m, a 9.8% increase from FY23
- Actual pro forma revenue fell short of the Prospectus target however EBIT was on par due to stronger margins achieved as a consequence of higher margin businesses achieving or exceeding revenue forecasts
- Mechanical segment pro forma revenue and EBIT have grown at a FY21 to FY24 CAGR of 26.3% and 17.6% respectively

Note: Corporate revenue and EBIT has been allocated between each segment on a weighted basis

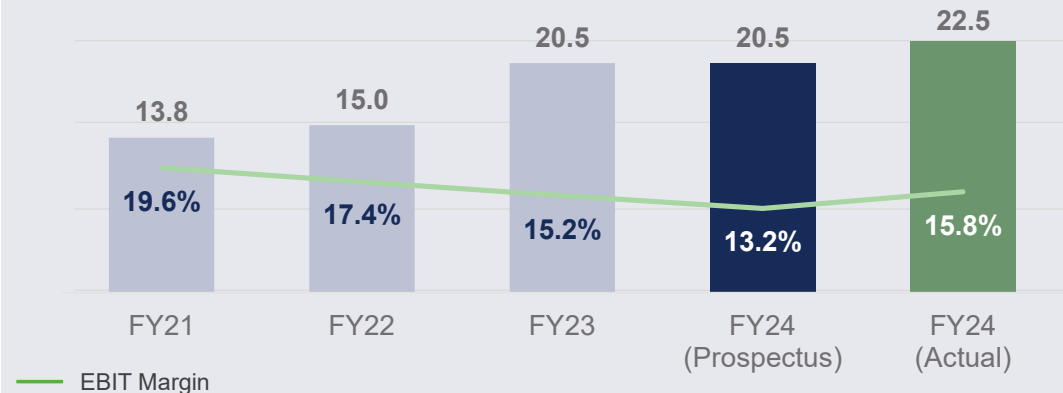
Pro Forma Revenue (\$m)

26.3% CAGR



Pro Forma EBIT and Margin (\$m)

17.6% CAGR



Civil Segment

Tasmea's civil segment showed strong growth in FY24 in comparison to FY23

FY24 Revenue

\$54m

▲ 26.8% on FY23

FY24 EBIT

\$11.2m

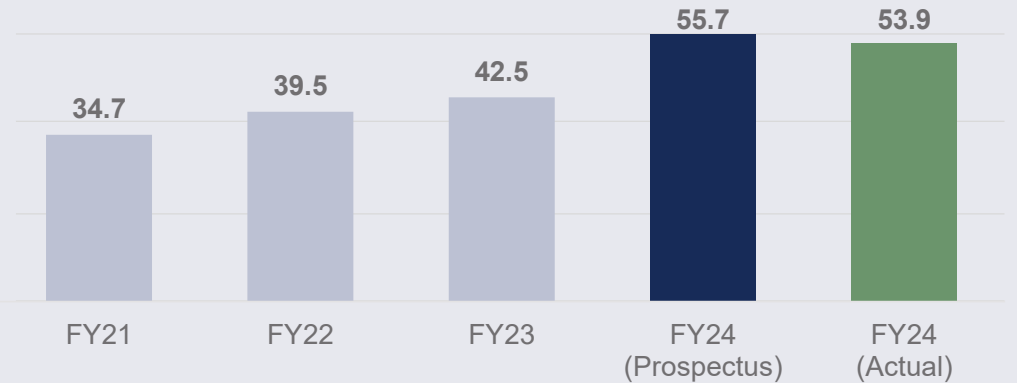
▲ 78.1% on FY23

KEY HIGHLIGHTS

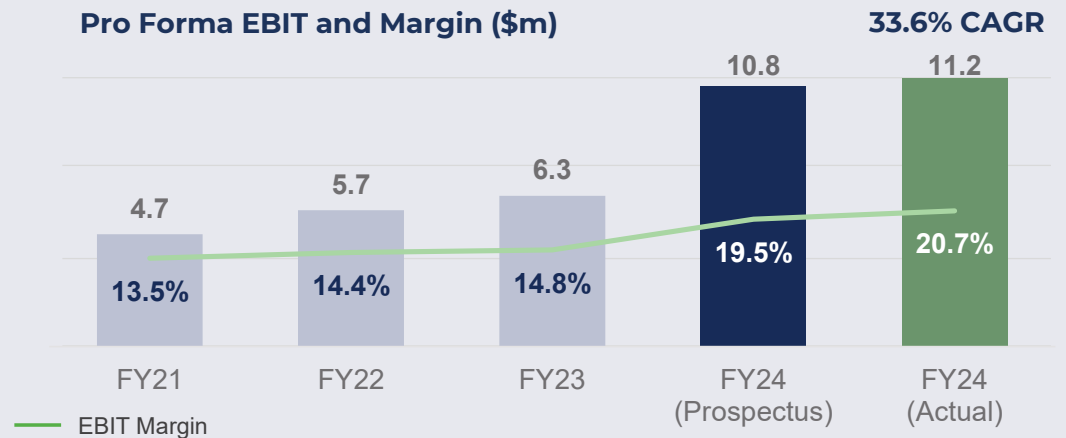
- FY24 revenue of \$54m, a 26.8% increase from FY23
- FY24 EBIT of \$11.2m, a 78.1% increase from FY23
- EBIT margin in FY24 improved significantly in comparison to prior years due to growth in higher margin activities of waste, water and recycling activities and entering new regions in the Pilbara
- Civil segment pro forma revenue and EBIT have grown at a FY21 to FY24 CAGR of 15.8% and 33.6% respectively

Note: Corporate revenue and EBIT has been allocated between each segment on a weighted basis

Pro Forma Revenue (\$m)



Pro Forma EBIT and Margin (\$m)



Water & Fluid Segment

Tasmea's water & fluid segment showed strong growth on FY23

FY24 Revenue

\$74m

▲ 9.5% on FY23

FY24 EBIT

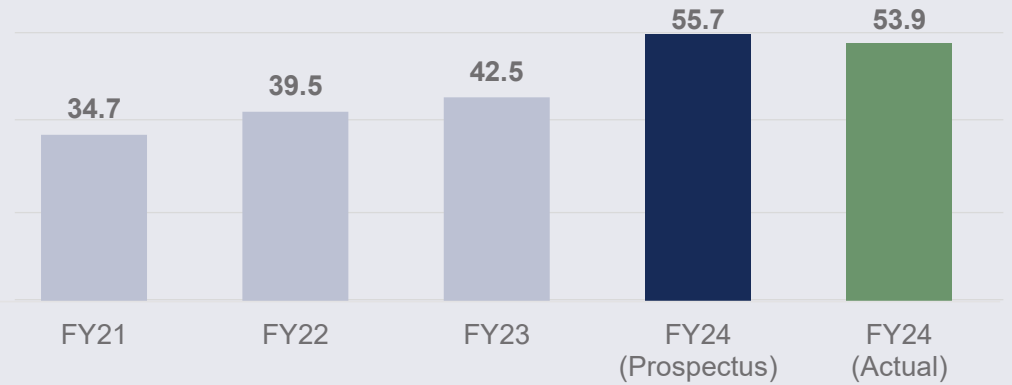
\$6.4m

▲ 16.4% on FY23

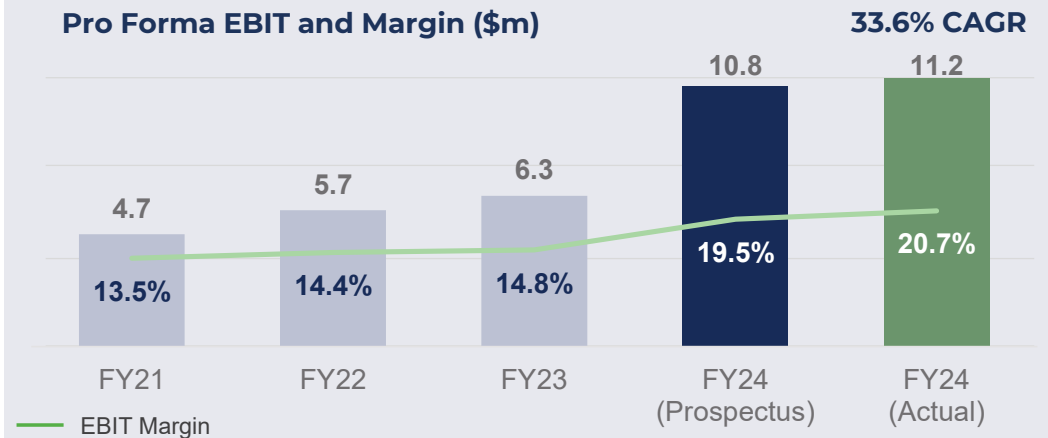
KEY HIGHLIGHTS

- FY24 revenue of \$74m, a 9.5% increase from FY23
- FY24 EBIT of \$6.4m, a 16.4% increase from FY23
- FY24 revenue missed Prospectus guidance due to project slippage into FY25
- Water & fluid segment pro forma revenue and EBIT have grown at a FY21 to FY24 CAGR of 24.4% and 7.7% respectively

Pro Forma Revenue (\$m)



Pro Forma EBIT and Margin (\$m)



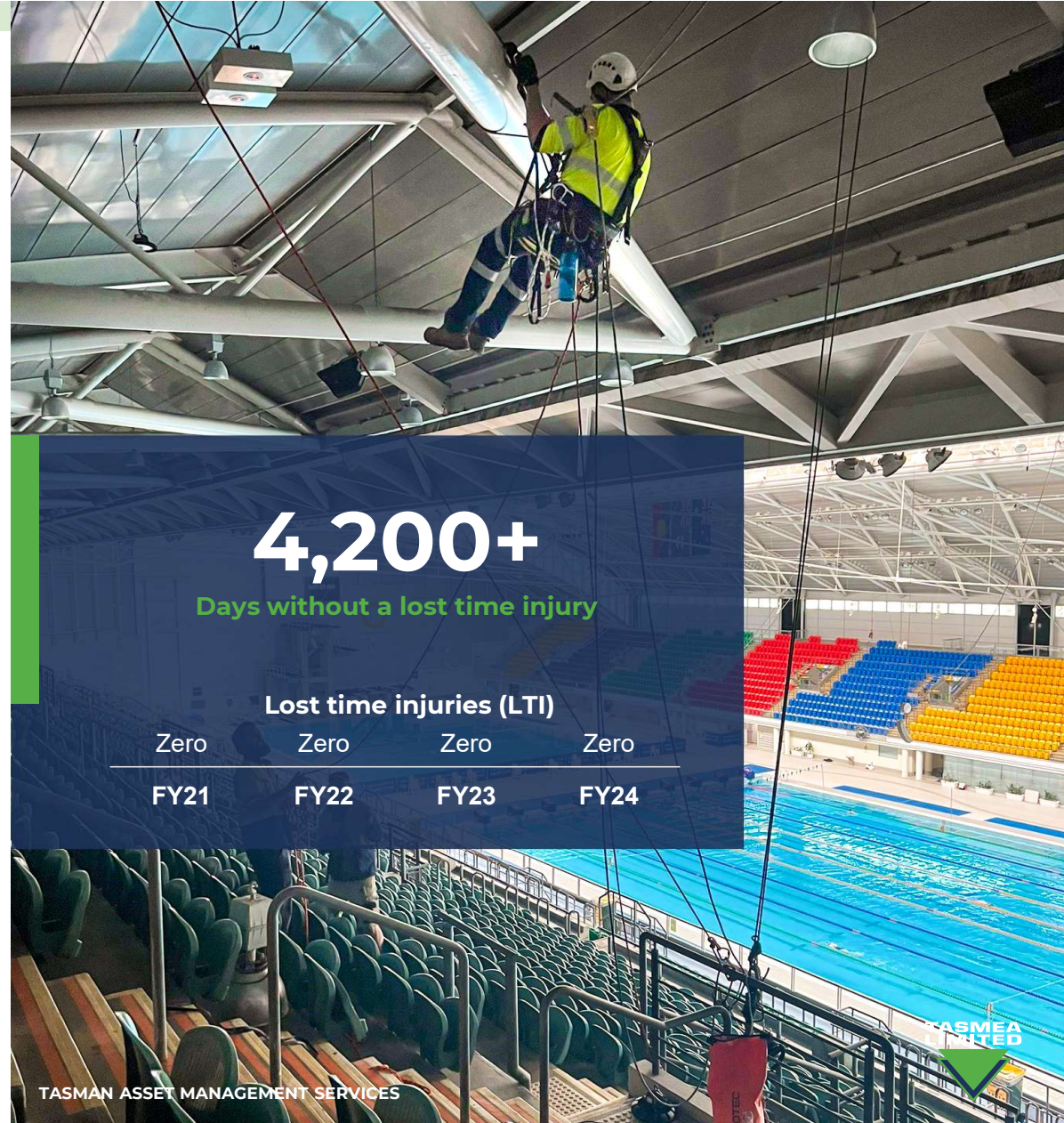
Note: Corporate revenue and EBIT has been allocated between each segment on a weighted basis

Health and Safety

Tasmea is committed to focusing on safety and sustainability, which is key to maintaining our strong relationships with clients and ensuring the long-term success of our business

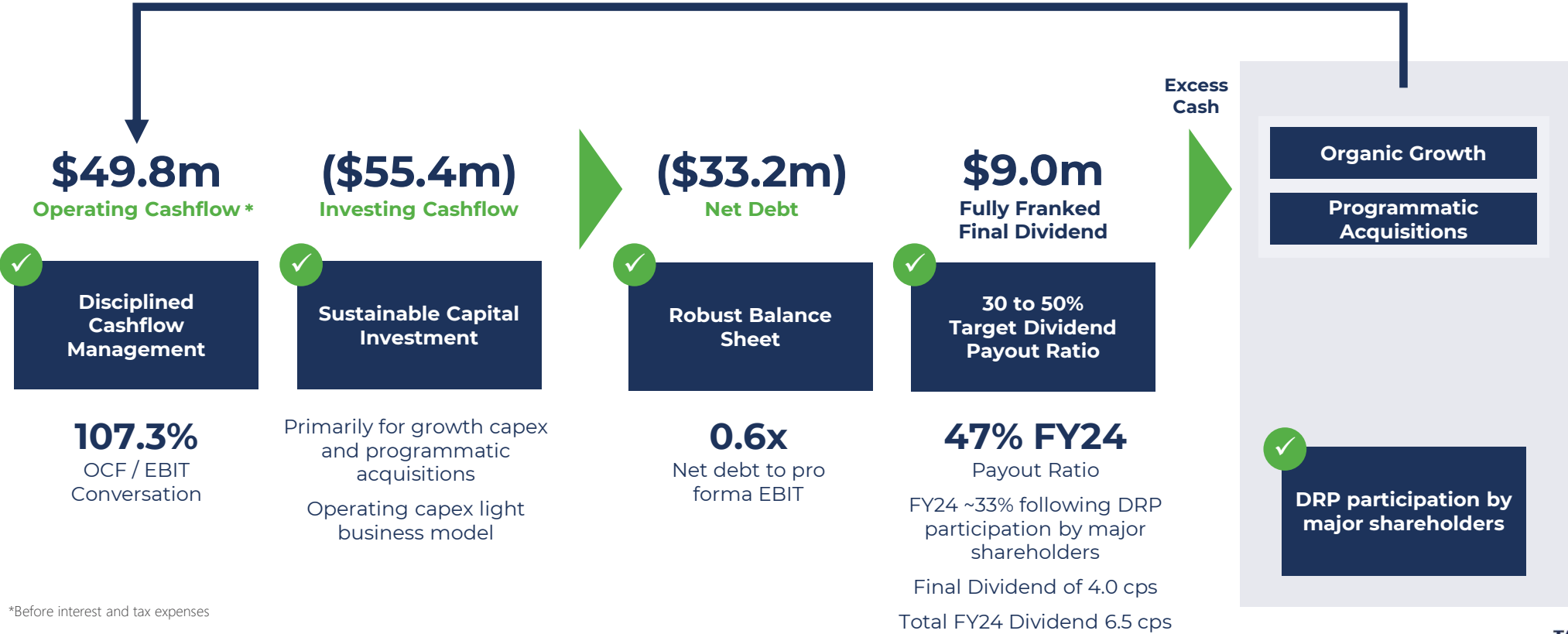
KEY HIGHLIGHTS

- Safety is a top priority across all Tasmea operations
- Integration of Tasmea safety policies and procedures on all recent acquisitions, including the execution of individual safety agreements with all new employees
- The group has achieved an impressive safety record of over 4,200 days without a LTI
- Tasmea's commitment to safety continues to be a critical area of focus for all Tasmea personnel
- Tasmea has a large portfolio of licenses and accreditations which allows Tasmea's subsidiaries to operate and ensure their workforce is as safe as possible



Capital Management Framework

Tasmea operates under a strict capital management framework to deliver growth



*Before interest and tax expenses



Cashflow

Tasmea has a disciplined approach to cashflow management as reflected in the OCF to EBIT conversion rate over a number of years

STATUTORY CASH FLOW (\$m)	FY21	FY22	FY23	FY24
Operating cash flow (before interest & tax)	20.4	26.7	22.8	49.8
Investing cash flow	(1.3)	(7.4)	(15.6)	(55.4)
Financing cash flow	(9.3)	(3.4)	(8.5)	19.9
Increase in cash	9.8	15.9	(1.3)	14.3
OCF (before interest & tax) / EBIT	112.5%	122.1%	75.2%	107.3%

OPERATING CASH FLOW

- Tasmea has a strong OCF (before interest and tax) to EBIT conversion, with the average last four years being 104.3% on a reported basis
- As a specialist trade skill services business with high repeat recurring income from its blue chip customers delivered via MSAs generates strong, predictable cash flows

INVESTING CASH FLOW

- \$34.1m in relation to acquisitions completed in the FY24 period and deferred consideration payments
- Tasmea is a capital light business. This year growth and replacement capex of \$22.2m included the once off acquisition of three drill rig platforms for the mechanical segment which is expected to deliver rental income in FY25 and beyond

OCF (before interest & tax) / EBIT

104.3%

FY21 to FY24 average

FY24 Pro Forma EBIT with recent acquisitions included

Since listing, Tasmae has already delivered on its programmatic acquisition strategy and has acquired \$20.6 million of sustainable EBIT out of its total \$30.0 million target to be achieved for FY25-FY27

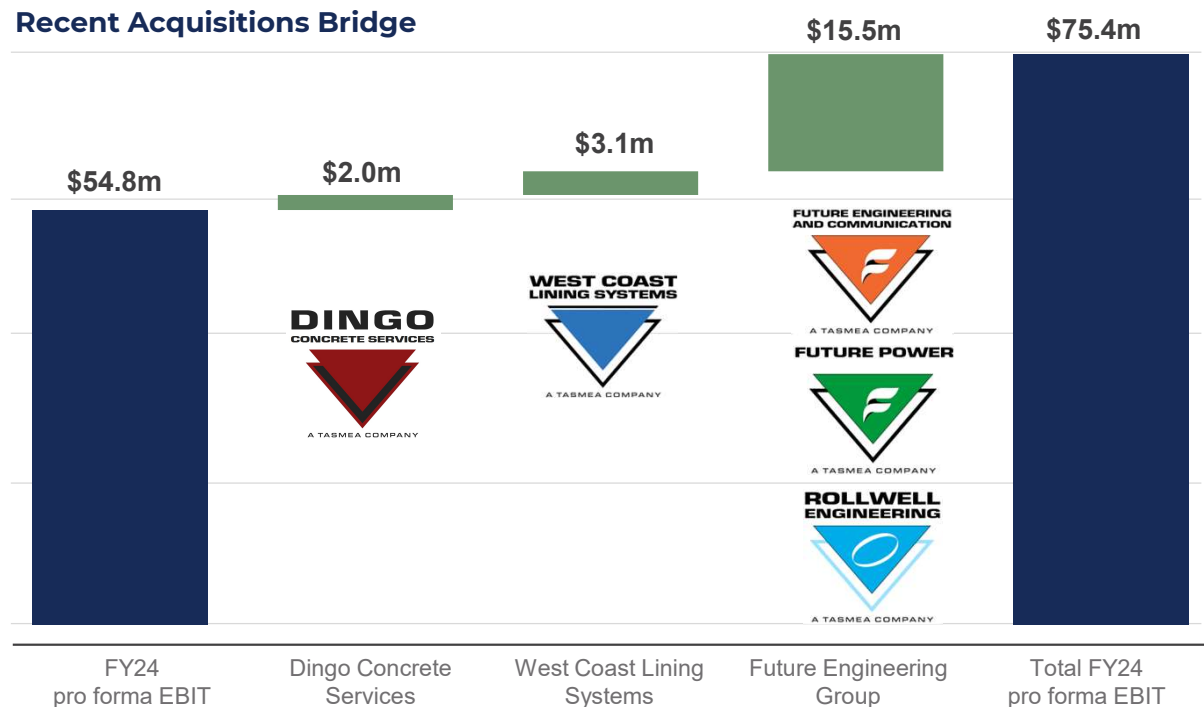
KEY HIGHLIGHTS

FY24 pro forma EBIT with recent acquisition including:

- Dingo Concrete Services sustainable EBIT
- West Coast Lining Systems sustainable EBIT
- Future Engineering Group Sustainable EBIT

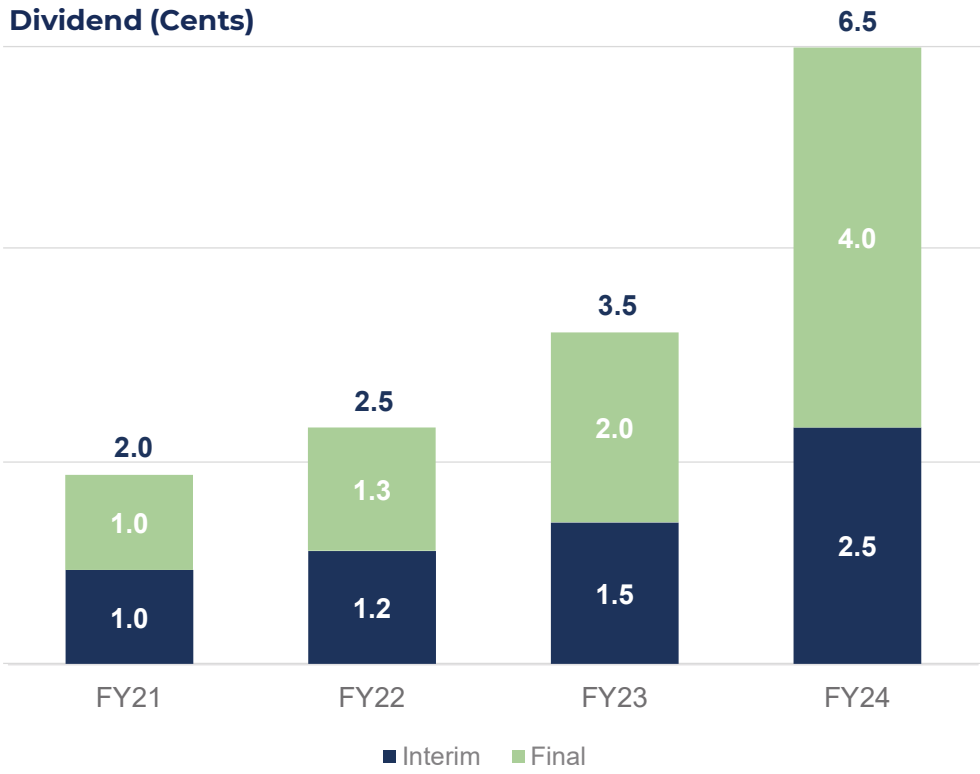
Tasmae acquires businesses having evaluated their sustainable EBIT. The attached diagram provides an indication of Tasmae's EBIT earning potential had they owned these business for the full FY24 year

Total FY24 Pro Forma NPAT \$50.2 million



Shareholder Distributions

Tasmea has declared a fully franked final FY24 dividend of 4.0 cents per share



6.5c
FY24 Fully Franked Dividend
 Final dividend of 4.0cps

47%
Payout Ratio
 ~33% after DRP


17 Oct 2024
Dividend Payable
 Ex dividend date 30 Sep 24

100%
Franked
 Final dividend will be fully franked

Dividend Reinvestment Plan

Founders Messrs Young, Vartuli and Pryde intend to take up the dividend reinvestment option for the majority of their dividend entitlement



QUARRY MINE & MANUFACTURE

Business Outlook

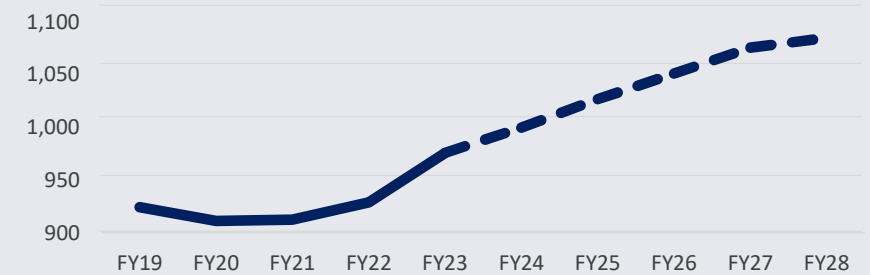
Tasmea is strategically positioned for continued growth

KEY HIGHLIGHTS

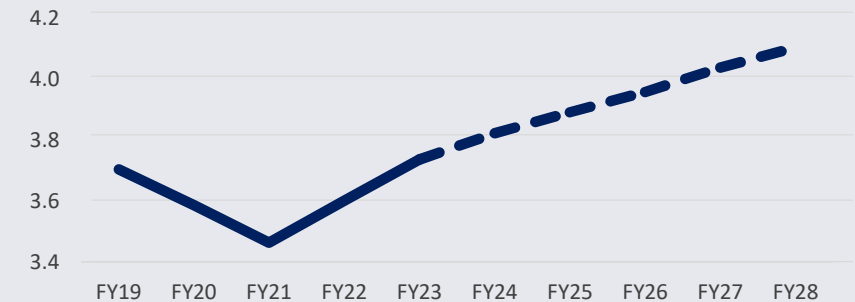
- Tasmea Limited remains well-positioned for organic and programmatic acquisition growth in line with LTI incentives
- Focus on expanding specialist service offerings in fixed plant maintenance, remote area services, and recurring revenue streams. Whilst project work is softening, maintenance activity is expected to remain stable
- Operating businesses providing specialist services to expected strong tailwinds / thematic industries
- Strong portfolio of Master Services Agreements and blue-chip customer base continue to underpin growth with high recurring revenue
- Flexible cost structure will support financial performance during any unforeseen revenue changes or economic cycles
- Committed to strategic programmatic acquisitions that complement existing operations and enhance long-term growth
- Successful integration of recent acquisitions, with a focus on fully integrating Future Engineering Group, Dingo Concrete Services and West Coast Lining in FY25
- The dual focus on organic and programmatic acquisition-driven growth is forecast to sustain strong financial performance and continue building shareholder value
- The outlook for commodity production of iron ore, gold and copper production and electrification is exceptional

Notes: (1) Source: IBIS World – Iron Ore and Copper Mining in Australia (2) Source: AEMO 2024 Integration System Plan

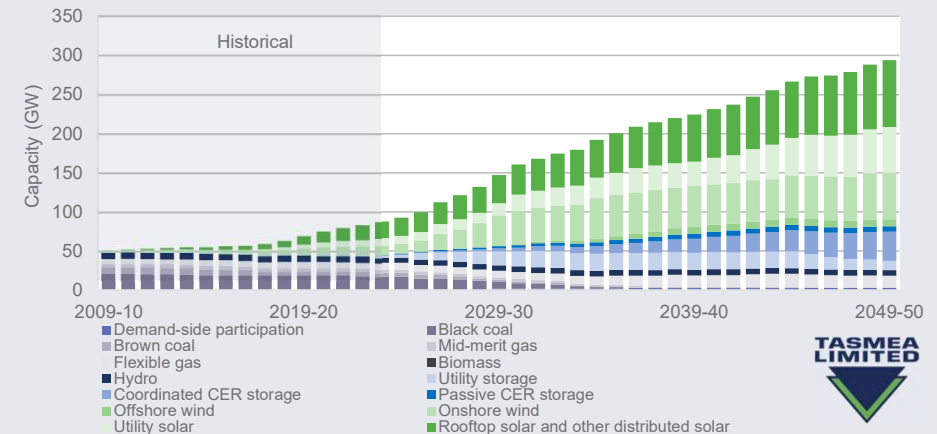
Iron Ore production in Australia (mt)¹



Copper production in Australia (mt)¹



Capacity, National Energy Market (GW, 2009-10 to 2049-50)²





Appendix

LAPTEK-SYSTEMS

FY24 statutory to pro forma results reconciliation

FY24 \$m	Statutory FY24	Pre-acquisition earnings ¹ Mechanical	Non-recurring ² IPO costs	Business acquisition costs ³ Mechanical	Pro forma FY24
Revenue	400.0	7.4	-	-	407.4
Cost of sales	(286.0)	(4.6)	-	-	(290.6)
Gross margin	114.0	2.8	-	-	116.8
EBIT	46.4	1.6	4.8	2.0	54.8
Net finance costs	(5.2)	-	-	-	(5.2)
Profit before tax	41.2	1.6	4.8	2.0	49.6
Income tax expense	(10.7)	(0.5)	(1.4)	-	(12.6)
Net profit after tax	30.5	1.1	3.3	2.0	36.9

Notes

- ¹ Add pre-acquisition earnings from ForeFront Services for the period 1 July 2023 to 30 September 2023
- ² Add non-recurring costs incurred during the year in respect of the Initial Public Offer for listing on the Australian Securities Exchange
- ³ Add business acquisition expenditure related to the acquisition of Groundbreaking Mining Solutions, specifically the FY24 earnout recorded as employee remuneration as opposed to purchase consideration which was how it was treated in the 31 December 2023 half year accounts and the IPO Prospectus

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