



ACQUISITION OF FUTURE ENGINEERING & COMMUNICATION GROUP

ACQUISITION PRESENTATION

AUGUST 2024

TRANSACTION SUMMARY

Strategic acquisition of Future Engineering Group – Highly strategic expansion to capitalise on the rapidly growing electrification demand in Australia

Overview	<ul style="list-style-type: none"> Tasmea to acquire 100% of the units and shares in Future Engineering & Communication Group (“FEG”) and associated entities for an aggregate cash consideration of A\$84.5 million comprising: <ul style="list-style-type: none"> A\$52.5 million upfront consideration payable on completion inclusive of purchase price adjustments A\$17.5 million in Tasmea shares (7,000,000 escrowed shares at an issue price of A\$2.50 per share which has been guaranteed at the time the shares are released from escrow following the release of Tasmea’s FY2025 full year audited results) Additionally, 37.7% of NPAT generated by FEG for FY2025, FY2026 and FY2027 will be paid as an uncapped cash earn-out payment paid on 31 October for the financial year just ended
Rationale	<ul style="list-style-type: none"> ✓ Highly attractive and earnings accretive acquisition – approximately 21% ✓ 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
Funding	<ul style="list-style-type: none"> The acquisition is to be funded from existing cash reserves, Tasmea equity and a new A\$50 million debt acquisition facility, with the earn-out payments being funded from future cash profits generated by FEG
Timing	<ul style="list-style-type: none"> ✓ The acquisition is expected to settle on 30 August 2024

TRANSACTION HIGHLIGHTS

- 1

Strategic Expansion

This acquisition positions Tasmea to capitalise on the **rapidly growing electrification demand** in Australia, supporting the **integration of critical renewable energy sources** into existing grids to ensure stability, reliability and a more sustainable supply that **aligns with our customers focus** to reduce their carbon emissions.
- 2

Financially Attractive and Earnings Accretive

The acquisition is expected to be highly **Earnings per Share (“EPS”) accretive at ~21%**, enhancing shareholder value and reflecting the **strong financial performance** projected under Tasmea's ownership. **Strong historical revenue growth with a CAGR of 10%¹** and a **compounding EBIT CAGR of 28%¹**.
- 3

Synergistic Benefit

Significant synergistic benefits with existing Tasmea subsidiaries such as Tasman Power, Sigma Power Services, Tasman Rope Access, A Noble & Sons, ICE, Dingo Concrete Services and others to drive **immediate operational efficiencies**, with **opportunities to cross-sell our services** to a new suite of customers.
- 4

Strengthens Tasmea’s existing Electrical Portfolio

The acquisition further **strengthens Tasmea’s strategy to expand its specialist trade skill services** offering focusing on maintenance, shutdown, breakdown and brownfield upgrade services of fixed plant and essential assets into industries/sector with **strong tailwinds**.
- 5

Fully Integrated Electrical Service Offering

This acquisition now positions Tasmea with an **end-to-end suite of electrical capabilities**, enabling us to offer **fully integrated solutions from start to finish** — a rare capability in the industry.

1. CAGR is calculated based on the period from FY2021 to FY2024.

FUTURE ENGINEERING GROUP OVERVIEW

Established specialist trade skill electrification business with a geographically diverse revenue and customer portfolio

Business Overview

- Established in 1992 and based in Western Australia
- Specialises in the design, supply, and installation of communication structures and high voltage powerline infrastructure
- Employs a workforce of **~140 professionals**
- Serves a diverse range of customers, including electricity providers, mobile phone carriers, and mining companies



Scalable Operational Capabilities

FEG benefits from its strategic location in **resource-rich markets**, dominated by the resources and services sectors with pole and tower manufacturing capabilities



Highly Experienced Management Team

With over **30+ years of industry experience**



Diversified Customer Portfolio




Across **6 key growth industries**



Geographical Diversified

Strategically located across Australia with over **39,000 sqm of warehouse space**

The Future Engineering Group of Companies

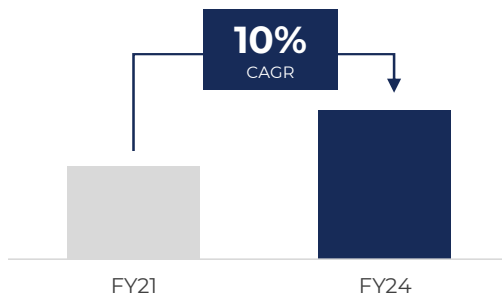
	Capability	Products and Services	Revenue Contribution (FY24)
	<ul style="list-style-type: none"> High-quality powerline and communication infrastructure solutions Design and engineering, fabrication, installation and maintenance (including pole and tower manufacturing capabilities) 	<ul style="list-style-type: none"> Communication structures, powerline construction and civil work services 	72%
	<ul style="list-style-type: none"> Design, fabrication and rolling & pressing for engineering solutions 	<ul style="list-style-type: none"> Welding, section rolling, plate rolling, guillotining and cropping & cutting services 	20%
	<ul style="list-style-type: none"> Design and engineering, construction, maintenance and civil works for power systems 	<ul style="list-style-type: none"> High voltage, powerline, electrical & lighting, and renewable energy services 	8%

APPEALING AND SYNERGISTIC BUSINESS PROFILE

FEG has an appealing and synergistic business profile that positions Tasmea strongly in industries with strong tailwinds, driving growth and shareholder value

- ✓ **Diversified Customer Base**
FEG generates **41% of FY2024 revenue from its top 10 customers**, benefiting from its location in resource-rich markets
- ✓ **Recurring Revenue**
FEG has leveraged **relationships with blue-chip** clients along with high service quality, to build a strong reputation and market share across key Australian markets
- ✓ **Strategic Exposure to Electrification**
Capitalising on the rapidly **growing electrification demand** in Australia, FEG is exposed to strong and strategically attractive markets
- ✓ **Cross-selling Opportunities**
FEG provides **cross-selling opportunities** and synergistic benefits with existing Tasmea subsidiaries

Sustained Revenue Growth



Strong Financial Performance and Shareholder Value

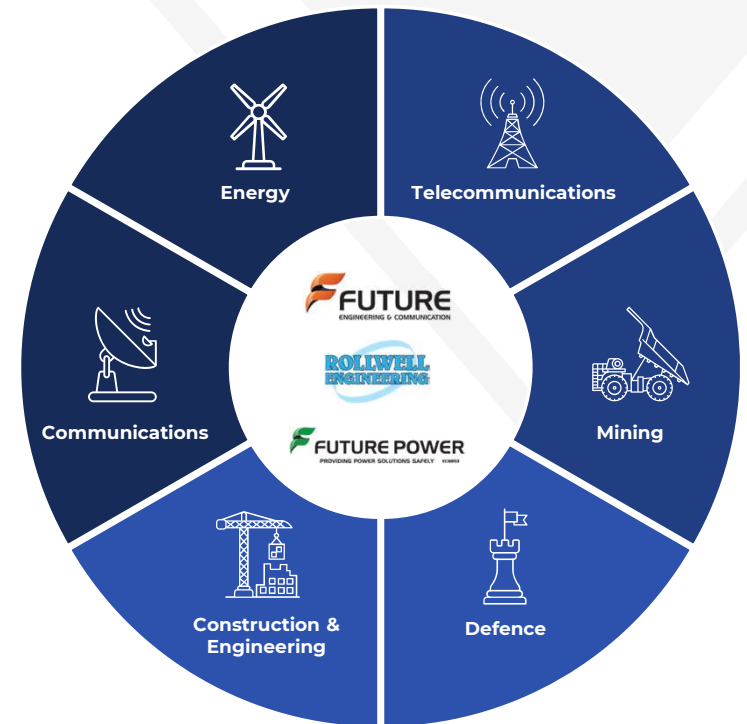
28%

EBIT CAGR
(FY21 – FY24)

~21%

Forecast Tasmea
EPS Accretion

FEG Industry Diversification



COMPREHENSIVE ELECTRICAL CAPABILITY

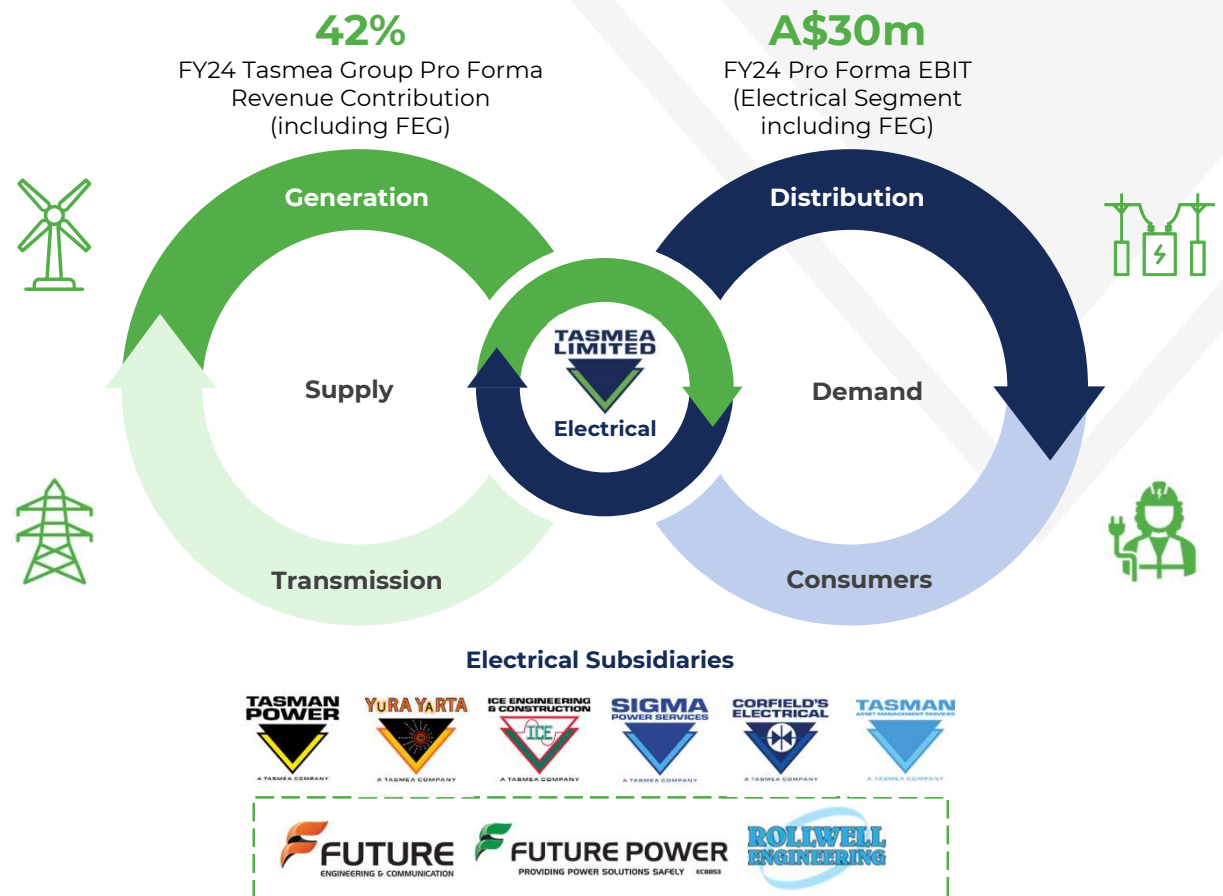
Tasmea is now positioned with an end-to-end electrical capability, enabling Tasmea Group to offer fully integrated solutions which is a unique capability in the national electrical service sector.

This acquisition positions Tasmea to capitalise on the **rapid growth in electrification demand** in Australia, supporting the **integration of critical renewable supply** that aligns with our customer focus to reduce their carbon emissions.

FEG's specialist capability in powerline and communication infrastructure sector complements Tasmea's existing electrical capabilities to offer **fully integrated solutions** to its main customers who are key participants in Australia's transition to green energy.

FEG elevates Tasmea's capability to cross-sell our services as presently there is very little cross over between FEG's customer base and Tasmea's existing subsidiaries customer base, providing a **significant opportunity to cross sell** the specialist trade skill services which the Tasmea Group has to offer.

Significant synergistic benefits with existing Tasmea subsidiaries such as Tasman Power, Sigma Power Services, Tasman Rope Access, A Noble & Sons, ICE Engineering, Dingo Concrete Services and others to drive immediate operational efficiencies.



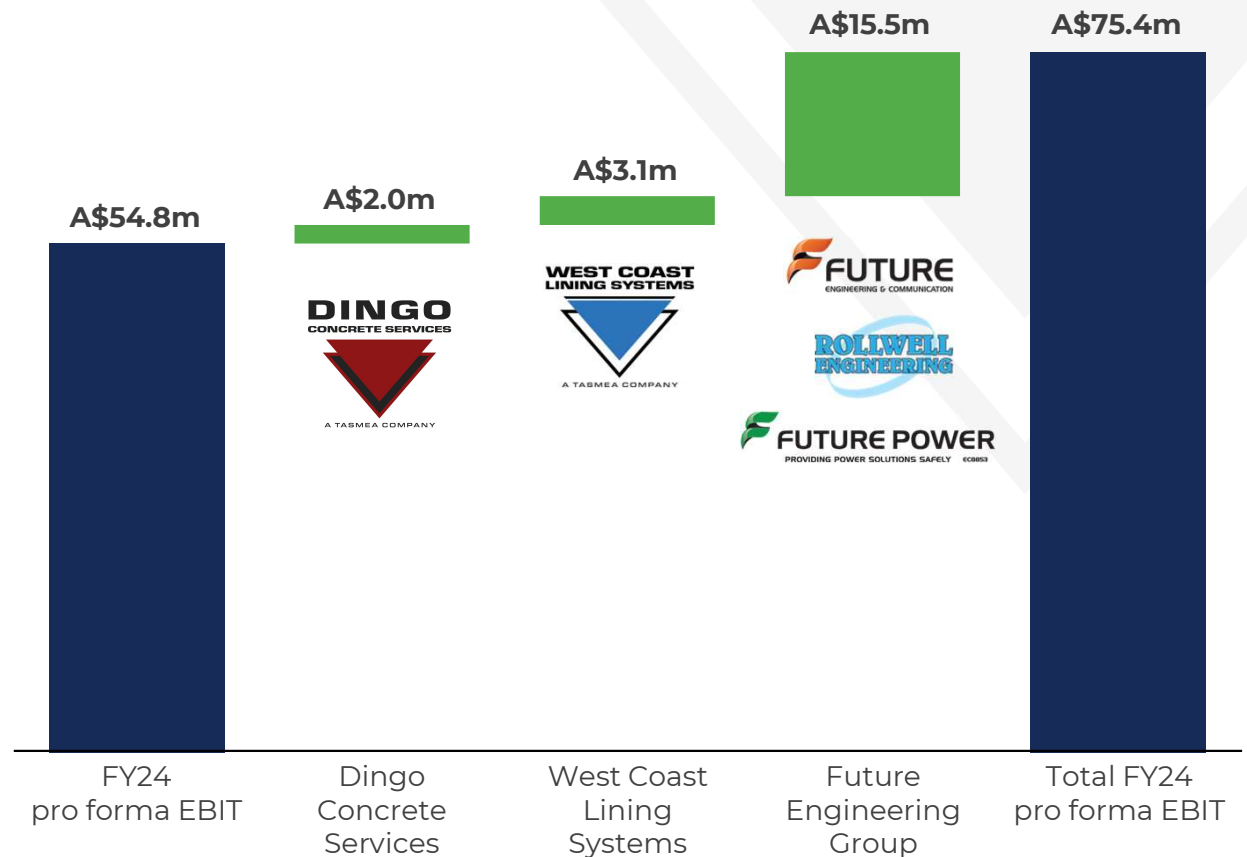
FY24 PRO FORMA EBIT WITH RECENT ACQUISITIONS INCLUDED

Tasmea's recent acquisitions further reflect Tasmea's successful organic and programmatic acquisition strategy

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
- Tasmea acquires businesses having evaluated their sustainable EBIT. The attached diagram provides an indication of Tasmea's EBIT earning potential had they owned these business for the full FY24 year
- Pro-forma NPAT for FY24 of \$50.2m.**

Recent Acquisitions Bridge



STRENGTHENS EXPOSURE TO THE ELECTRIFICATION DEMAND

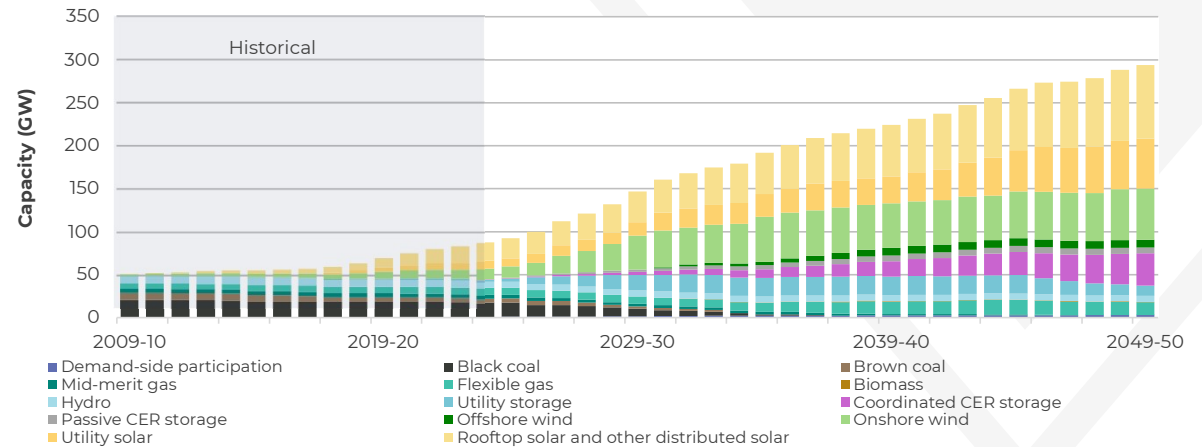
FEG enhances Tasmea's capability to capitalise on the rapidly growing electrification demand in Australia

Key Structural Tailwinds

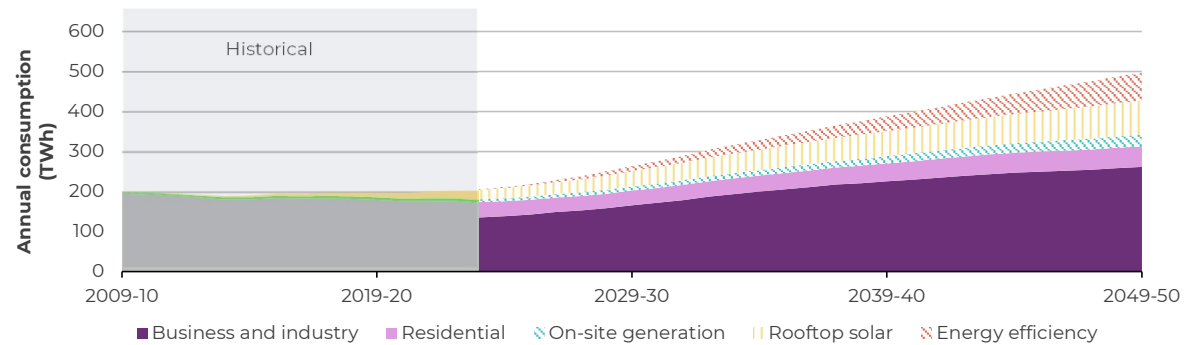
Australia is in a **transformative phase**, with rising demand for telecommunication and powerline infrastructure, and **increased investments** in transmission lines, substations, and transformers to integrate renewable energy and stabilise the grid.

- The Australian Energy Market Operator (AEMO) has outlined a **A\$1.9 trillion investment plan required by 2050** to support this transition
- Urgent need for **modernisation of broader electrification assets and grids**
- **10,000 km of new transmission lines**
- Nearly **double annual electricity delivery** to 320 TWh by 2050 for electrification and hydrogen production
- Up to **90% of coal assets to retired by 2035**, full retirement by 2040

Capacity, National Energy Market (GW, 2009-10 to 2049-50)¹



Electricity Consumption, National Energy Market (TWh, 2009-10 to 2049-50)¹



1. Source: AEMO 2024 Integration System Plan

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