



12 September 2024

Tasmea Limited Investor Roadshow Presentation

Tasmea Limited (ASX: TEA) provides the attached presentation delivered by our Managing Director, Stephen Young and Executive Directors, Mark Vartuli and Jason Pryde during Tasmea's Investor Roadshow this week in Sydney and Melbourne.

-ENDS-

This announcement was authorised for release by Stephen Young, Managing Director.

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About Tasmea Limited

Tasmea owns and operates 22 inter-dependent leading Australian diversified specialist trade skill services businesses focused on Essential Shutdown, Programmed Maintenance, Emergency Breakdown, and Brownfield Upgrade Services of fixed plant for a blue-chip essential asset owner customer base.

Tasmea primarily provides these specialist trade skills services to fixed plant for essential industry asset owners in six growing industry sectors: mining and resources, defence, infrastructure and facilities, power and renewable energy, telecommunications and retail, and waste and water.



Tasmea Limited Results Roadshow Presentation

Stephen Young

Managing Director

Mark Vartuli

Executive Director

Jason Pryde

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Highlights

Tasmea owns and operates 22 inter-dependent leading Australian diversified specialist trade skill services businesses

- ✓ **Outperformed prospectus** NPAT guidance by 10%
- ✓ **High ROCE and ROE, High Recurring Income and strong earnings to cash conversion**
- ✓ **Industry leading margins** above peers **+300bp** due to **specialist** trade skills services focusing on maintenance, shutdown, breakdown and brownfield upgrade services of **fixed plant** for **blue chip** essential asset owner customer base.
- ✓ **Strong market fundamentals** enabling long term organic growth in industries that are not slowing down – **Electrification, Renewables, Iron Ore, Copper and Gold**
- ✓ **Founder led**, highly experienced, committed and motivated Executive Management team who own circa 60% of TEA
- ✓ **Attractive valuation metrics** given our demonstrated track record and our growth outlook

(Pro Forma) Revenue

\$407m

▲ 10.8% on \$368m in FY23

(Pro Forma) EBIT

\$54.8m

▲ 1.5% on Prospectus target

▲ 27.4% on \$43.0, in FY23

(Pro Forma) NPAT

\$36.9m

▲ 10.3% on Prospectus target

▲ 29.9% on \$28.4m in FY23

(Statutory) Operating Cashflow

\$49.8m

107% OCF (ex. interest and tax) / EBIT

FY24 Fully Franked

Final Dividend

4.0c

▲ 100% on 2.0c FY23

Total Dividend

6.5c

▲ 85.7% on 3.5c FY23

(Pro Forma)

ROCE¹

29.5%

ROE²

45.3%

1) Adjusted to include \$2m of Pro forma EBIT relating to Dingo as the goodwill of this acquisition was included on the balance sheet at 30 June 24

2) Adjusted for IPO capital raised in April 2024, not deployed until after June 2024

TASMEA

Tasmea has increased our service offerings across all four segments since the IPO

Recent acquisitions projected to add circa \$20.6m maintainable EBIT in FY25

The Future Group acquisition increases the Electrical Segment FY24 Pro Forma EBIT to \$30m

Consistent with our growth plans Tasmea has strengthened its executive capability with the recent recruitment of Trent Northover as an Executive Director

ELECTRICAL



MECHANICAL



CIVIL



WATER & FLUID



- Yura Yarta is a registered supply nation business in which Tasmea has a 49% shareholding
- Businesses acquired since IPO



Group financial performance

Tasmea delivered strong financial growth in FY24 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%

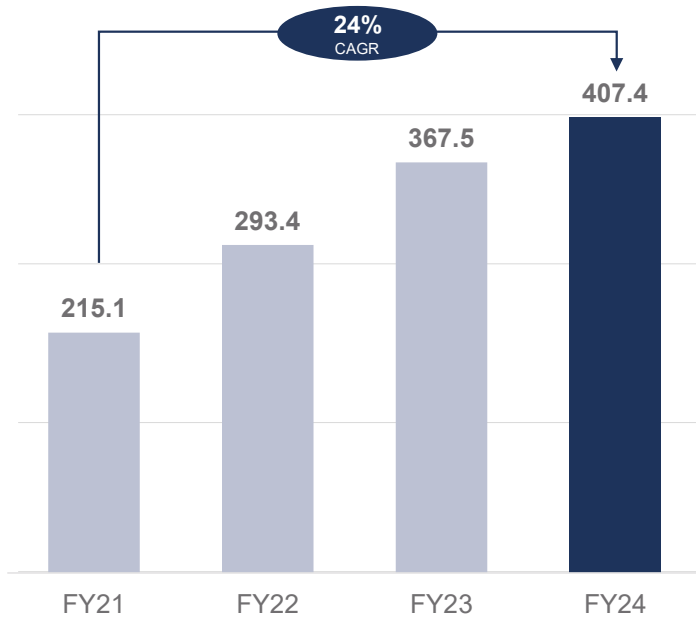
COMMENTARY

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

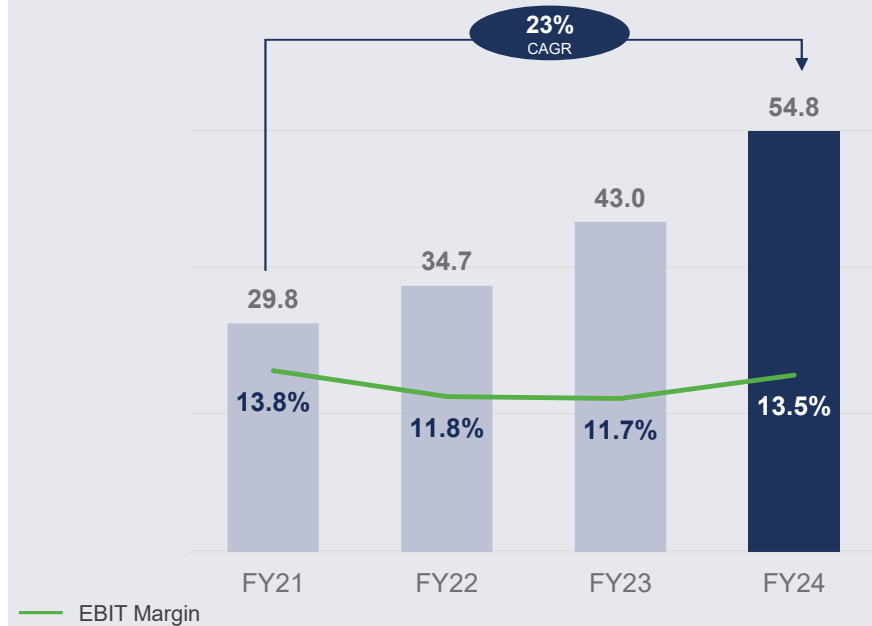
Historical financial performance

Demonstrated growth track record

GROUP PRO FORMA REVENUE (\$M)



GROUP PRO FORMA EBIT AND MARGIN (\$M)



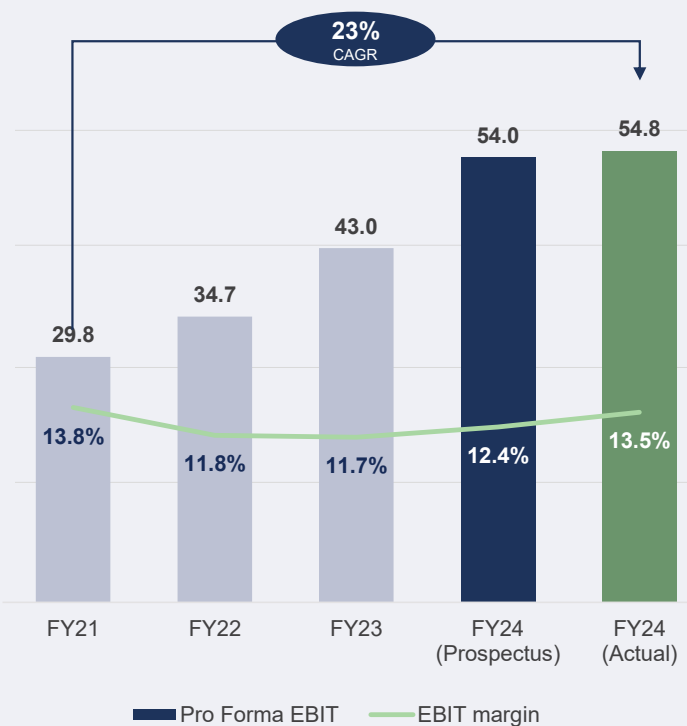
Comparison to prospectus

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

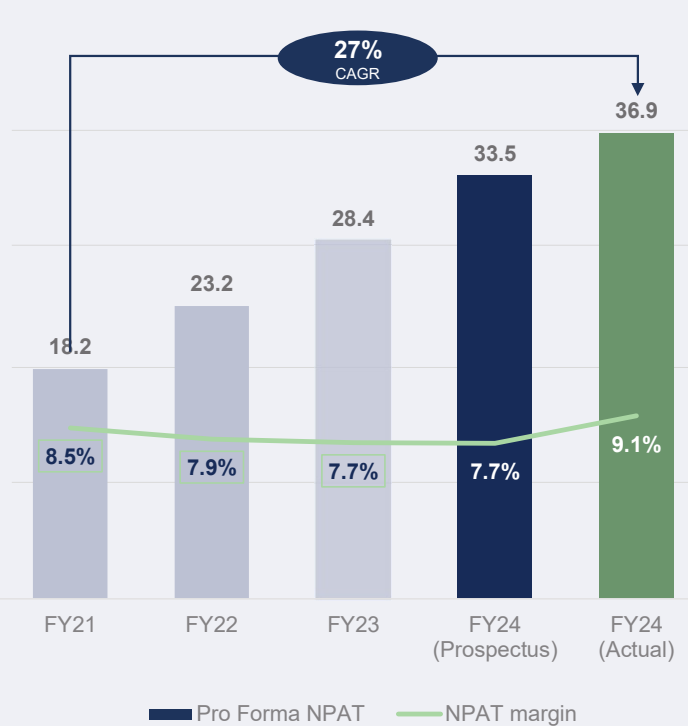
KEY HIGHLIGHTS

- 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 – **+300bp** above maintenance industry peers
- Tasmea achieved a **Pro Forma NPAT of \$36.9m** in FY24, surpassing the Prospectus forecast of \$33.5m (**exceed by 10.3%**)
- Tasmea has achieved Pro Forma FY21 to FY24 **EBIT CAGR 23%** and **NPAT CAGR 27%**

Group Pro Forma EBIT and Margin (\$m)



Group Pro Forma NPAT and Margin (\$m)



Cashflow

Tasmea has a disciplined approach to cash management demonstrated by our high OCF to EBIT conversion rate

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 statutory **OCF (before interest and tax) to EBIT conversion**, with the **average** last four years being **104.3%** driven by specialist trade skill maintenance services business with high repeat recurring income generating strong, frequent and 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, expected to deliver rental income in FY25 and beyond

OCF (before interest & tax) / EBIT

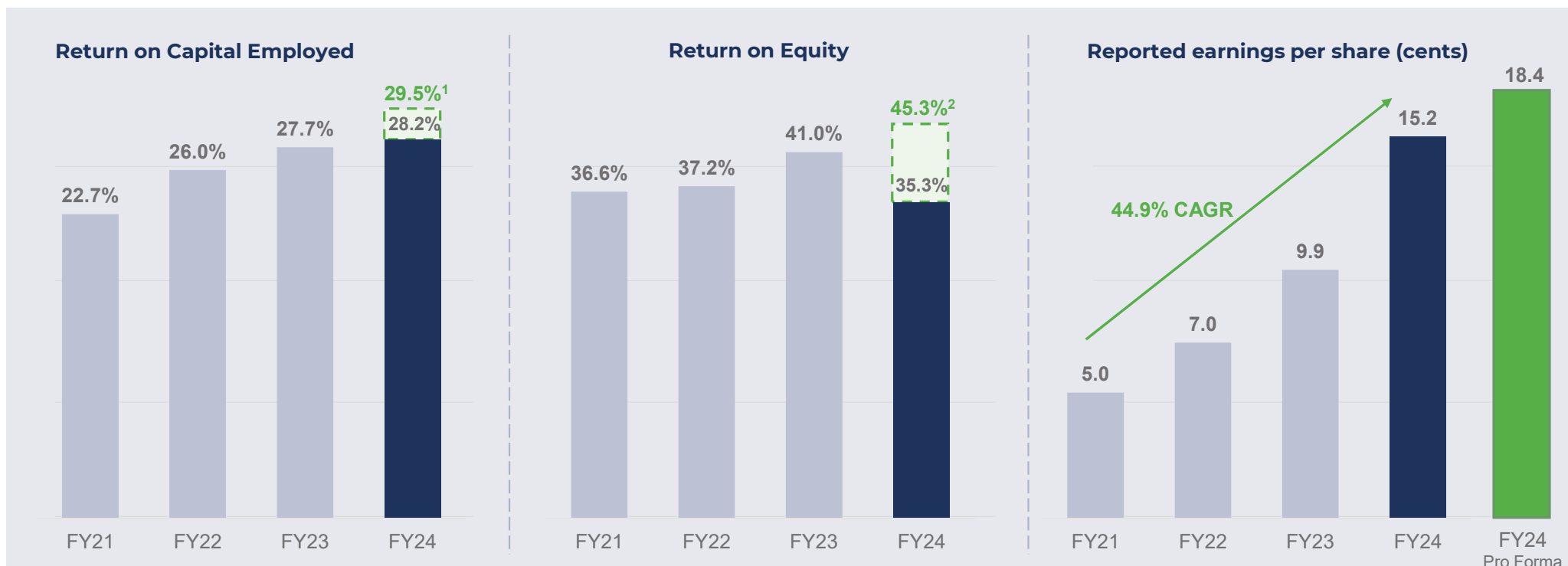
104.3%

FY21 to FY24 average



Investor Key Performance Metrics

Strong financial metrics with consistent growth



1) Adjusted to include \$2m of pro forma EBIT relating to Dingo as the goodwill of this acquisition was included on the balance sheet at 30 June 24

2) Adjusted for IPO capital raised in April 2024, not deployed until after June 2024

Business outlook

Tasmea is strategically positioned for continued growth in FY25 and beyond

KEY HIGHLIGHTS

- Tasmea remains well-positioned for **organic** and **programmatic acquisition growth** in line with **LTI incentives**
- Continued focus on expanding **specialist service offerings** in **fixed plant maintenance**, **remote area services**, and **recurring revenue streams** via MSAs for Blue Chip customers.
- **Rising tide floats all boats**. Our operating businesses providing specialist services to expected strong tailwinds / thematic industries (**electrification, renewables, iron ore, copper and gold seeing no slowdown in production**)
- **Flexible cost structure** will support financial performance during any unforeseen revenue changes or economic cycles
- **Successful integration of recent acquisitions**, with a focus on fully integrating Future Engineering Group, Dingo Concrete Services and West Coast Lining in H1 of FY25
- We are **confident about our growth outlook** and will provide guidance update at AGM in November for H1 FY25

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



Gold production in Australia (t)¹

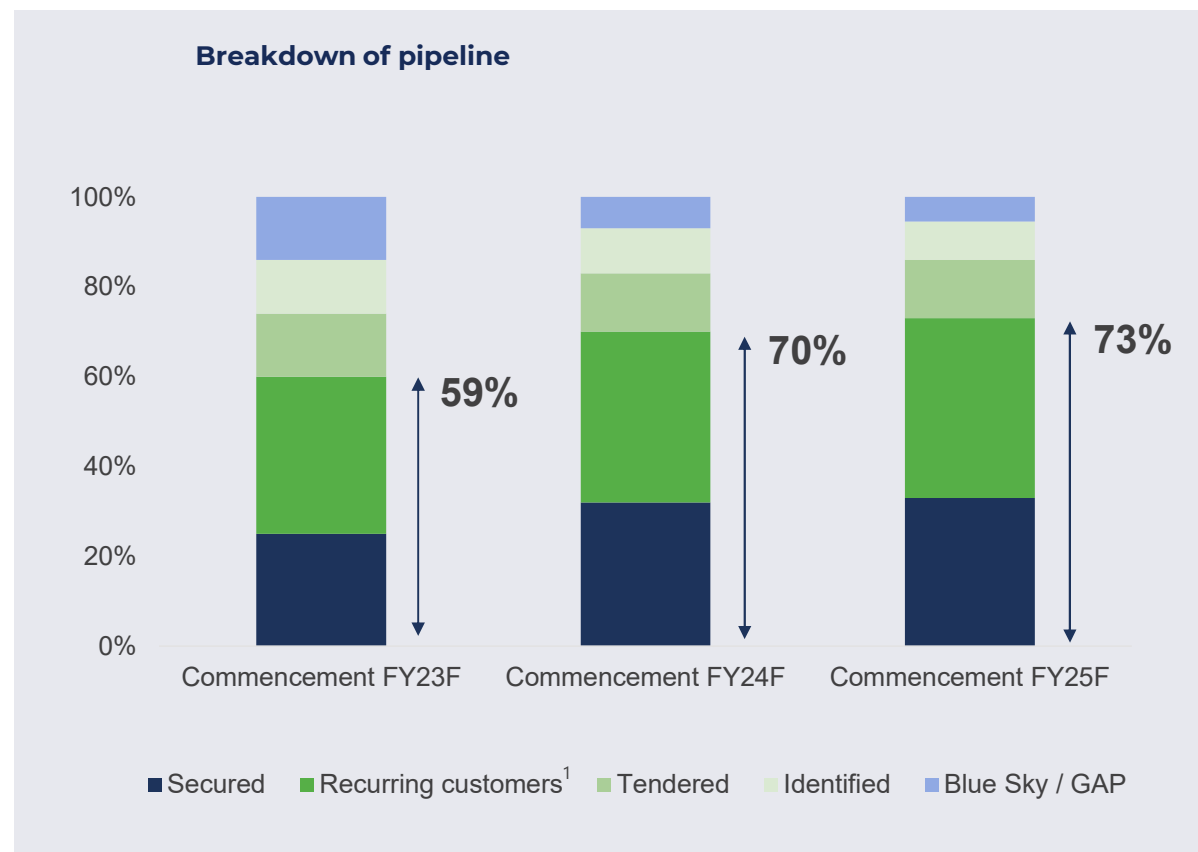


High recurring revenue pipeline via agreements

KEY HIGHLIGHTS



- **73%+ of total revenue** from **secured or recurring** base from MSA / FMA **at the commencement of FY25F**
- Secured and recurring revenue has been **increased year on year** as Tasma continues to expand its portfolio of MSAs / FMAs
- **Long-term customer retention** and a track record of contract renewals underwrites recurring revenue streams
- Customer longevity is attributable to exceptional skill and exemplary service delivery leading to deepening customer relationships across multiple subsidiaries, customer sites and locations throughout Australia

Note: (1) Projects based on a track record of work completed for the projects/customers in prior years, largely supported by MSAs and FMAs



Recent acquisitions

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

SUBSIDIARY	OVERVIEW	ACQUISITION RATIONALE
 <p>FUTURE GROUP August 2024</p> <p>Acquisition \$84.5m</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"> Tasmea specifically targeted a gap in our electrical segment specialist service offering able to leverage the rapidly growing electrification demand in Australia Highly attractive and earnings accretive acquisition Significant revenue synergistic benefits with existing Tasmea subsidiaries Highly skilled and strong management team
 <p>WEST COAST LINING SYSTEMS August 2024</p> <p>Acquisition \$11.5m</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"> We identified the Western Australian geomembrane market represented 50% of the Australian market and strategically targeted an acquisition in this specialty to act on this opportunity, rather than gradual expansion of Fabtech into WA. WCLS holds an estimated 20% of the WA geosynthetics market Highly attractive and earnings accretive acquisition Cross-selling opportunities with customers of WCLS and Tasmea's civil businesses in the Pilbara, WA
 <p>DINGO CONCRETE SERVICES June 2024</p> <p>Acquisition \$6.5m</p>	<ul style="list-style-type: none"> Remote civil construction Remote concrete supply 	<ul style="list-style-type: none"> Tasmea saw this opportunity as one which would benefit from Tasmea's organic growth strategy as well as being vertically aligned with our existing businesses in the remote Pilbara West region 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 NWMC in the Pilbara and allows for vertical integration of services in the Pilbara

FY24 Pro Forma EBIT with recent acquisitions included

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

KEY HIGHLIGHTS

FY24 pro forma EBIT with recent acquisition including sustainable EBIT from:

- Dingo Concrete Services
- West Coast Lining Systems
- Future Engineering Group

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

Total FY24 Pro Forma NPAT \$50.2 million

Recent Acquisitions Bridge






Future Engineering Group transaction summary

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

Acquisition metrics

- Tasmea acquired Future Engineering & Communication Group ("FEG") and associated entities for A\$84.5 million comprising:
 - A\$52.5 million** upfront cash 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**

Group of Companies	Capability	Products and Services
 <p>FUTURE ENGINEERING AND COMMUNICATION A TASMEA COMPANY</p>	<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
 <p>ROLLWELL ENGINEERING A TASMEA COMPANY</p>	<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
 <p>FUTURE POWER A TASMEA COMPANY</p>	<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

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. FEG also specialises in the innovative design, supply and installation of Communication Infrastructure.

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 & Son, 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

Fully Integrated Electrical Service Offering

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**. Tasmea can now offer 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.

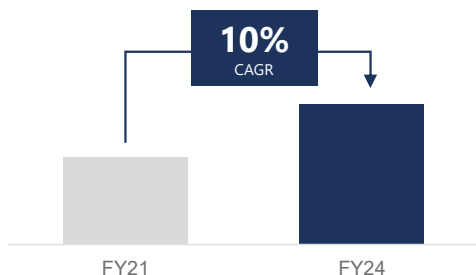
1. CAGR is calculated based on the period from FY2021 to FY2024.

Appealing and synergistic business profile

FEG has an appealing and synergistic business profile that positions Tasmae 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 also has exposure to the communications industry and both of these markets are expected to be strong and strategically attractive
- ✓ **Cross-selling Opportunities**
FEG provides **cross-selling opportunities** and synergistic benefits with existing Tasmae subsidiaries

Sustained Revenue Growth



Strong Financial Performance and Shareholder Value

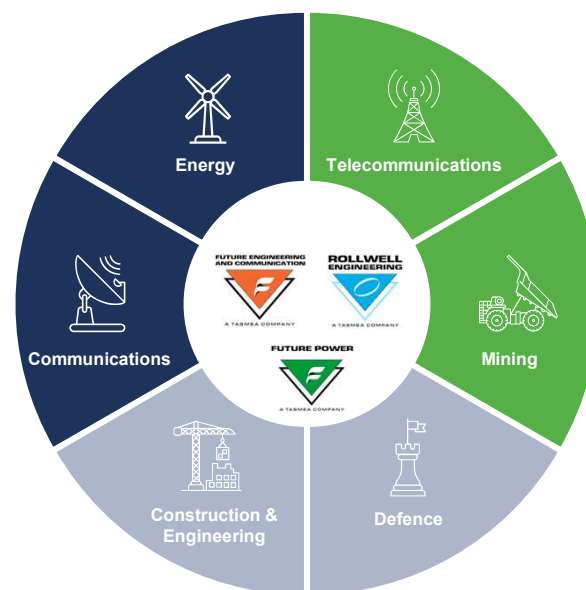
28%

EBIT CAGR
(FY21 – FY24)

~21%

Forecast Tasmae
EPS Accretion

Diversified customer portfolio across 6 key growth industries



Highly experienced
management team
with ~140 employees



Geographically diversified
with 39,000 sqm of
warehouse space



Comprehensive electrical capability

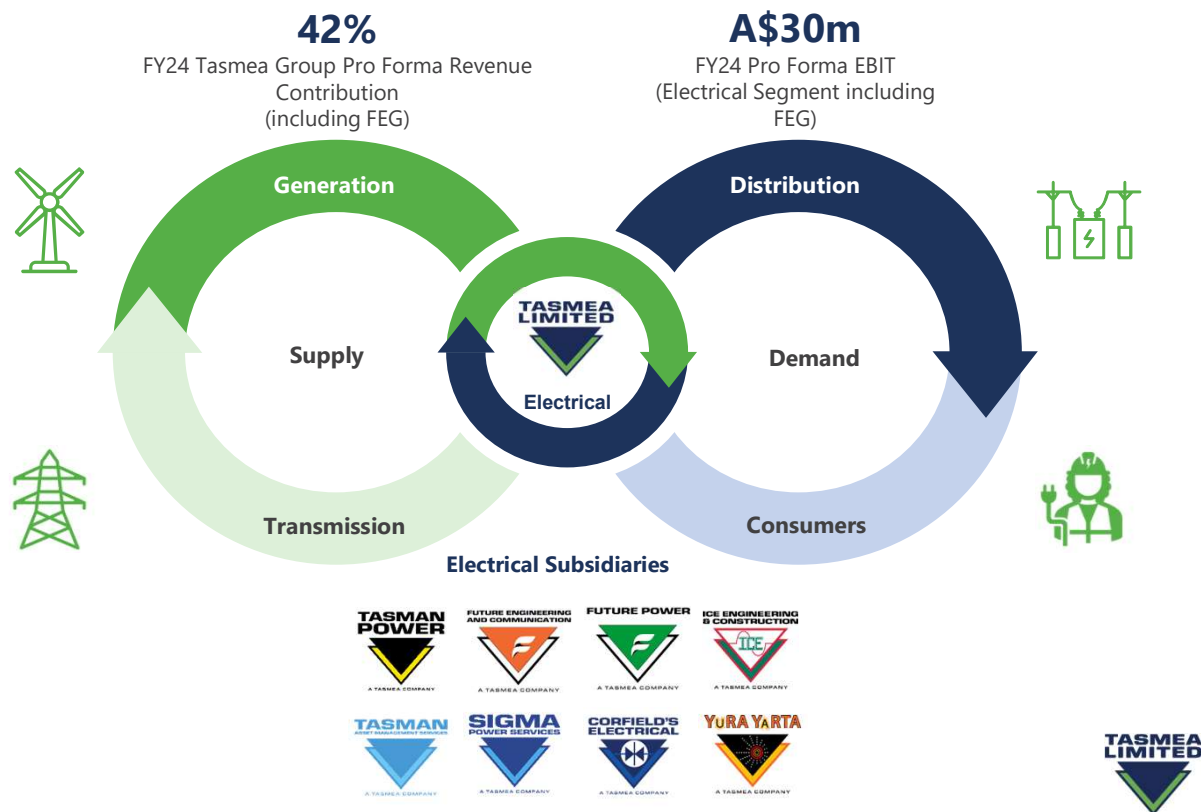
Tasmea is now positioned with an end-to-end electrical capability, enabling Tasmea Group to offer fully integrated solutions which is a unique capability in the national electrical service sector

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.



Strengthens exposure to the electrification demand

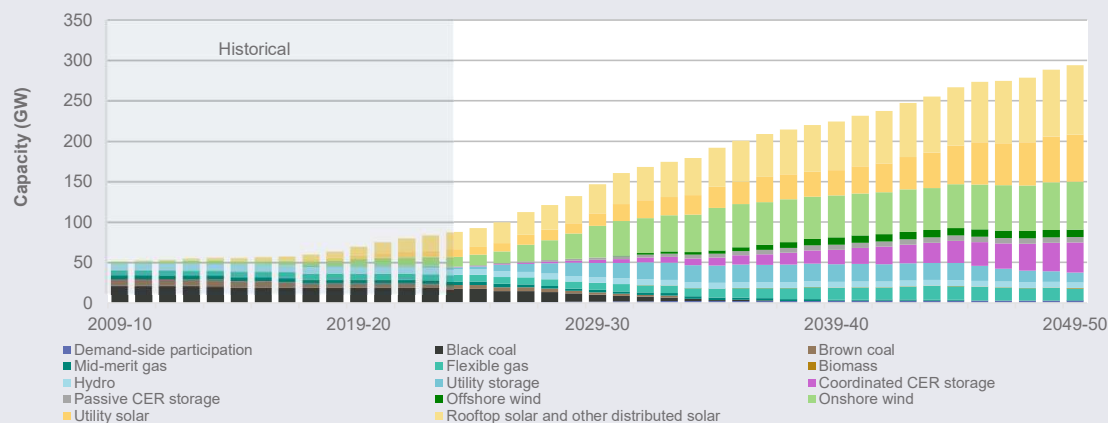
FEG enhances Tasma's capability to capitalise on the rapidly growing electrification demand in Australia

Key Structural Tailwinds

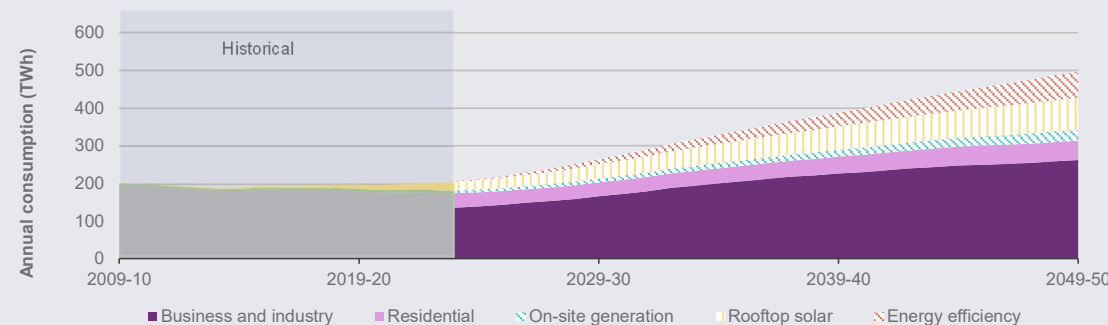
Australia is in a **transformative phase**, with rising demand for telecommunication and powerline infrastructure, and **increased investments** in transmission lines, substations, and transformers to integrate renewable energy and stabilise the grid.

- 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

Tasmea investment highlights

- ✓ **Strong market fundamentals** (electrification, renewables, iron ore, copper and gold) enabling **long-term organic growth** – seeing **no slow down** in industries we have large exposure to.
- ✓ **Successful programmatic acquisition strategy**, with a demonstrated track record of acquiring, integrating and scaling up businesses
- ✓ **Broad suite** of complementary **specialist services** (not generalist) offered **nationwide**, focused on **production** (not exploration) and **maintenance** (not construction) generating +300bp margins to peers
- ✓ **Partnership approach** with **remote, geographically diverse, blue-chip, essential fixed plant owners** leading to a high level of **repeatable revenue**
- ✓ **22 incentivised CEOs**, culturally committed (owner operators within a corporate management framework) leading a large **flexible 1,600+** strong **accredited workforce** across Australia, enabling a truly **national service offering**
- ✓ Our subsidiaries have **competitive strengths** (**#1** or **#2**) often **remote** with **proven strategies** to scale up, resulting in exceptional **organic growth**
- ✓ **Founder led, highly experienced, committed** and **motivated** board executive management who own c. 60% of TEA
- ✓ **Strong track record** of consistent organic revenue growth, **high margins** and resilient **predictable cashflows**
- ✓ Represents **attractive valuation metrics** given **demonstrated track record** and **growth outlook**

Q&A



Stephen Young

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Mark Vartuli

Executive Director

Jason Pryde

Executive Director

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