16 October 2024

Tasmea Limited Investor Presentation

Tasmea Limited (ASX: TEA) provides the attached presentation delivered by our Managing Director, Stephen Young and Executive Directors, Mark Vartuli and Jason Pryde at the Morgans Investor Conference today in Noosa, Queensland.

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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
Morgans Noosa Conference

16 October 2024

Stephen Young
Managing Director

Mark Vartuli
Executive Director

Jason Pryde
Executive Director

Structured for success by Delivering Value Always!

Tasmea's flat structure is strategically different:

- In order to protect our equity, Tasmea Limited does not trade and does not offer Parent Company Guarantees other than to its financiers
- Each subsidiary operates independently, maintaining their owner operator culture and performance whilst continuing to build their specialist skills reputation
- Each subsidiary has a Chief Executive and management team, ensuring they remain close to their customers and employees
- Whilst the Chief Executive, Financial Controller and their direct reports all conform with the Tasmea Corporate reporting rhythms, Tasmea's Executive Directors day to day involvement in the management of the businesses is not visible to, nor part of the day-to-day operations
- Tasmea's industry segments have attractive growth outlooks and each subsidiary cross sells Tasmea's other specialist services to their customers
- To the maximum degree practicable the individual subsidiary businesses use a shared services function. Strategically from an operational perspective, this function is not visible
- This structure and the increased focus on delivering specialist skills to the maintenance (not construction) sector and to the production (not exploration) sector is principally responsible for Tasmea delivering a 400 to 600 basis points better EBIT margin than our peers

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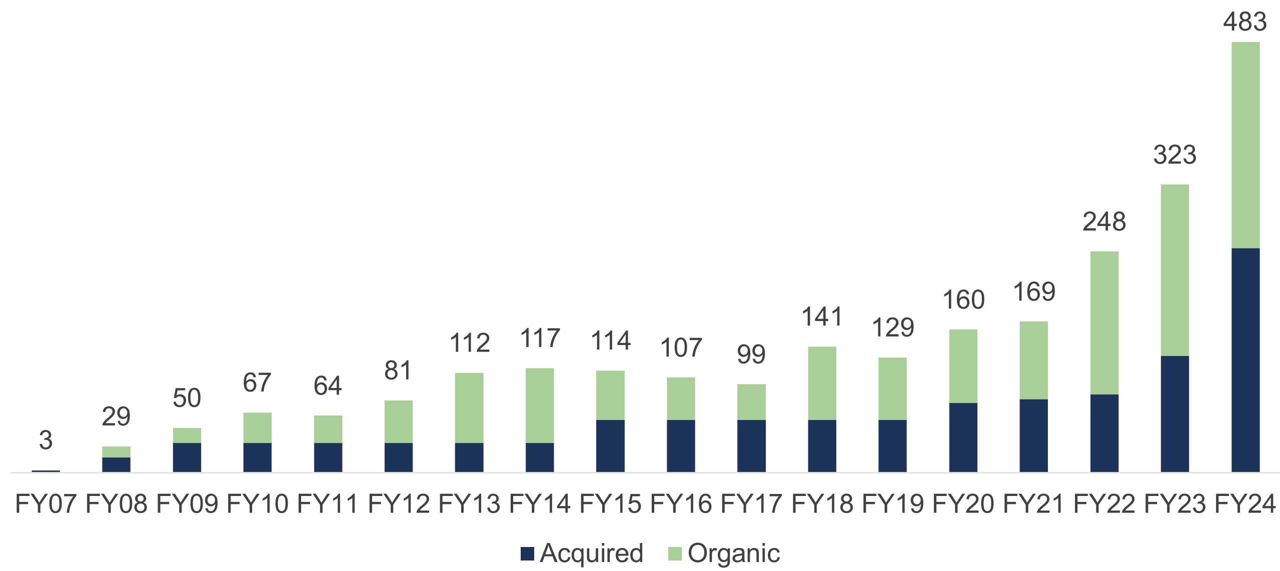
Acquisition and organic revenue growth

Tasmea acquires to grow and has a strong track record of acquiring businesses and scaling-up revenue growth post-acquisition

ORGANIC REVENUE WEIGHTED COMPOUNDING ANNUAL GROWTH RATE (CAGR) SINCE ACQUISITION

Electrical **21%**	Mechanical **37%**
Civil **21%**	Water & Fluid **13%**
Total **25%**	

Acquired and organic revenue growth ($m)



Acquired revenue to FY24 **$252m**

Organic revenue growth to FY24 **$231m**

FY24 Highlights

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

- **Outperformed prospectus** NPAT guidance by 10%
- **High ROCE** (29.5%) and **ROE** (45.3%)**, High Recurring Income** (c. 90%) and **strong earnings to cash conversion** (104%)
- **Industry leading margins** above peers **+400 to 600bp** due to our unique **owner operator flat structure**, and **specialist** trade skills services focusing on maintenance, shutdown, breakdown and brownfield upgrade services of **fixed plant** (often located remotely) for **blue chip** essential asset owner customer base. The majority of this work is undertaken on **schedule of rates** and is not hard money construction contracting
- **Strong market fundamentals** enabling long term **organic growth leveraging customer base** and Tasmea networks for **revenue synergies** in industries that are not slowing down – **Electrification, Renewables, Iron Ore, Copper, Gold, Gas, Water** and **Waste**
- **Accelerated growth** supported through **disciplined programmatic acquisitions** strategy
- **Founder led**, highly experienced, committed and motivated Executive Management team who own c. **60%** of TEA aligned with **growth targets** and LTI plan to deliver **$110m EBIT by FY27**
- **Attractive valuation metrics** given our demonstrated track record and our growth outlook

	PRO FORMA FY24 WITH RECENT ACQUISITIONS	PRO FORMA FY24	STATUTORY
Revenue	$483m	$407m ▲ 10.8% on FY23	$400m
EBIT	$75.4m 15.6% margin	$54.8m 13.5% margin ▲ 1.5% on Prospectus ▲ 27.4% on FY23	$46.4m 11.6% margin
NPAT	$50.2m 10.4% margin	$36.9m 9.1% margin ▲ 10.3% on Prospectus ▲ 29.9% on FY23	$30.5m 7.6% margin

(Statutory) Operating Cashflow

$49.8m

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

(Pro Forma)

ROCE[1]	ROE[2]
29.5%	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

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Since the IPO, Tasmea has **increased** our **service offerings** across all four segments

Recent acquisitions projected to add circa **$20.6m** maintainable **EBIT** (greater than LTI target by $10m) 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

- TASMAN POWER
- ICE ENGINEERING & CONSTRUCTION
- CORFIELD'S ELECTRICAL
- SIGMA POWER SERVICES
- TASMAN ASSET MANAGEMENT SERVICES
- FUTURE ENGINEERING AND COMMUNICATION
- FUTURE POWER

MECHANICAL

- TASMAN ROPE ACCESS
- NOBLES
- HEAVYMECH
- QMM
- FOREFRONT
- GMS
- ROLLWELL ENGINEERING

CIVIL

- NWMC
- M&B CIVIL
- DINGO CONCRETE SERVICES
- YURA YARTA

Yura Yarta is a registered supply nation business in which Tasmea has a 49% shareholding and offers Indigenous employment to personnel who are seconded to and trained within each of our other subsidiaries

WATER & FLUID

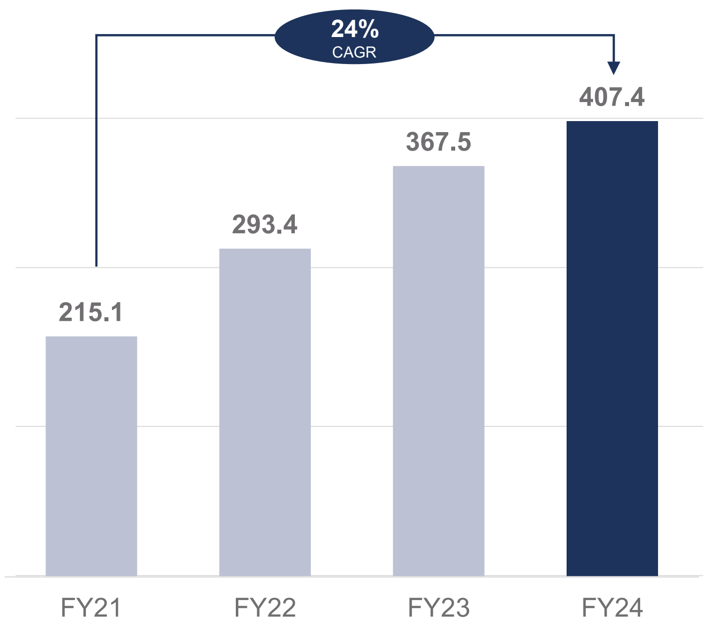
- FABTECH
- AUSPRESS
- LAPTEK SYSTEMS
- TECHNICAL LUBRICATION SERVICES
- WEST COAST LINING SYSTEMS

Businesses acquired since IPO

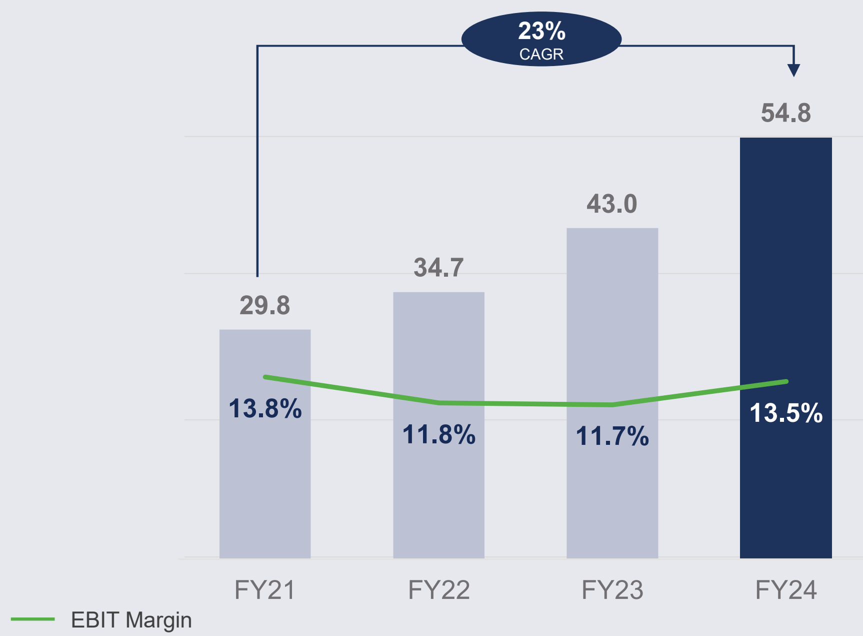
Historical financial performance

Demonstrated growth track record

GROUP PRO FORMA REVENUE ($M)



GROUP PRO FORMA EBIT AND MARGIN ($M)



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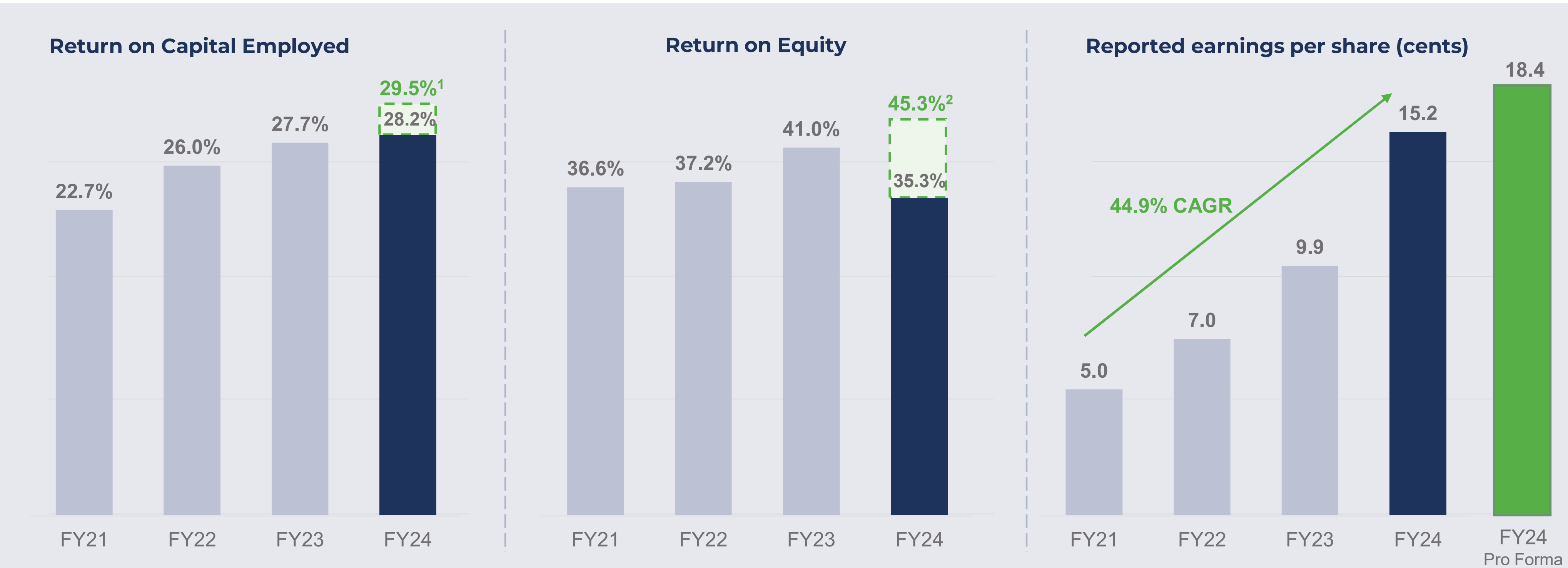
Investor Key Performance Metrics

Strong financial metrics with consistent growth



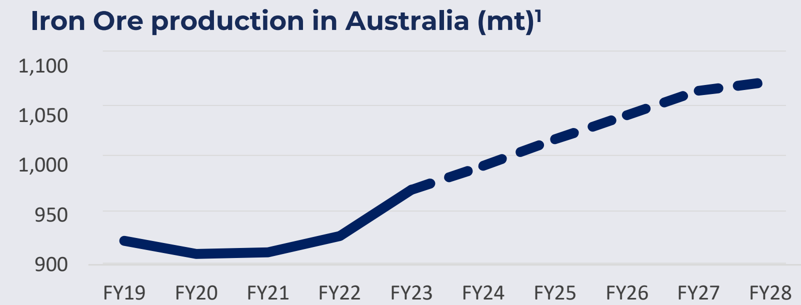
1) Adjusted to include $2m of pro forma EBIT relating to Dingo as the goodwill of this acquisition was included on the balance sheet at 30 June 24
2) Adjusted for IPO capital raised in April 2024, not deployed until after June 2024

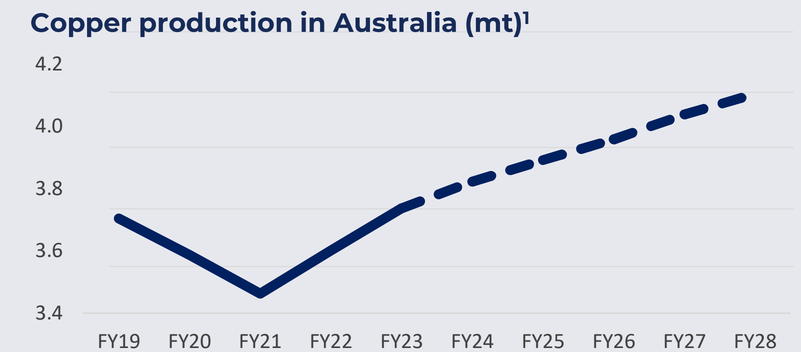
Business outlook

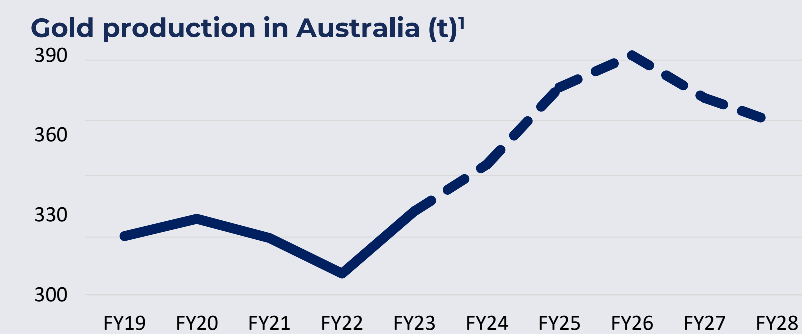
Tasmea is strategically positioned for continued growth in FY25 and beyond

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, gold, gas, water and waste**)
- **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

Tasmea growth strategies

Tasmea achieves growth via the following six complementary strategies:

1. **delivering exceptional service, “keeping what we have”** and **growing with our customers** as they expand, and providing our services to new locations;
2. **build market share** by **outperforming our competitors** on existing and new locations;
3. **new services to existing customers** by leveraging Tasmea’s existing relationships to introduce other Tasmea specialist trade skills subsidiaries;
4. **providing existing services offered by Tasmea subsidiaries to new customers** including geographic expansion;
5. **adapting** our specialist trade skills businesses to **emerging technologies**, **industries and commodities;**
6. acquiring new businesses to **meet unfulfilled demand**

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
FUTURE ENGINEERING AND COMMUNICATION / FUTURE POWER / ROLLWELL ENGINEERING **Acquisition** **$84.5m**	**FUTURE GROUP** August 2024 **Maintainable EBIT** **$15.5m**	• Specialises in the design, manufacture, supply, and installation of communication structures and high voltage powerline infrastructure	• 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**
WEST COAST LINING SYSTEMS A TASMEA COMPANY **Acquisition** **$11.5m**	**WEST COAST LINING SYSTEMS** August 2024 **Maintainable EBIT** **$3.1m**	• Specialises in the supply and installation of geomembrane liners • Environmental protection in solid waste management, mining, and water containment applications	• 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
DINGO CONCRETE SERVICES A TASMEA COMPANY **Acquisition** **$6.5m**	**DINGO CONCRETE SERVICES** June 2024 **Maintainable EBIT** **$2.0m**	• Remote civil construction • Remote concrete supply	• 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

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FY24 Pro Forma EBIT with recent acquisitions included

Since listing, Tasmea 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

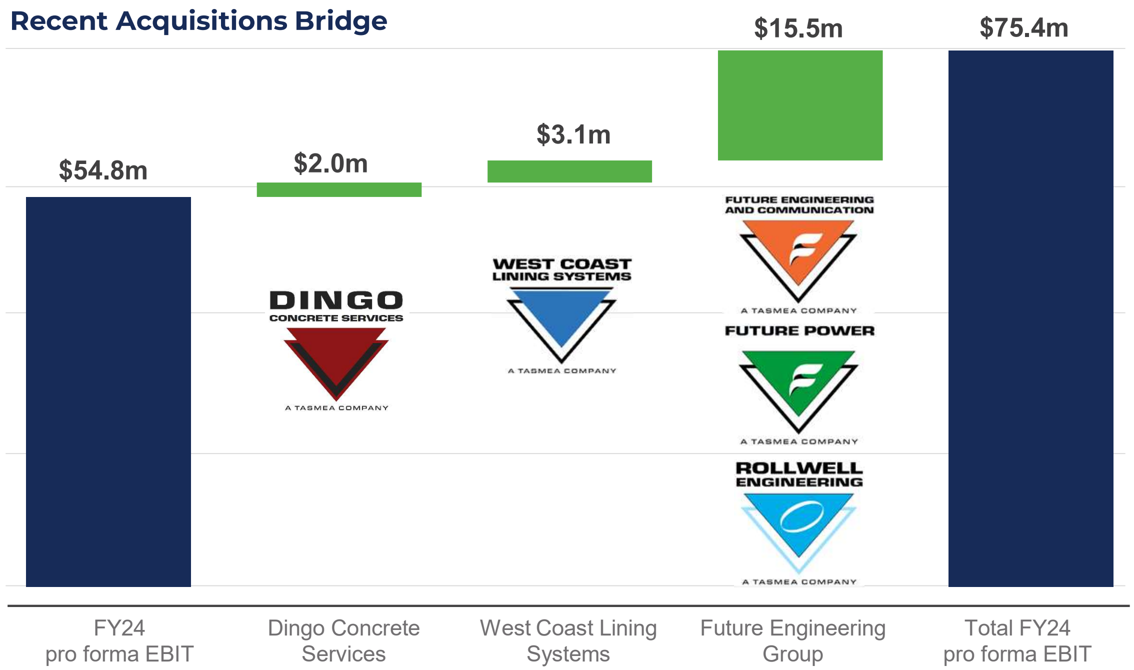
FY24 pro forma EBIT with recent acquisition including sustainable EBIT from:

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

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

Total FY24 Pro Forma NPAT $50.2 million

Recent Acquisitions Bridge



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.

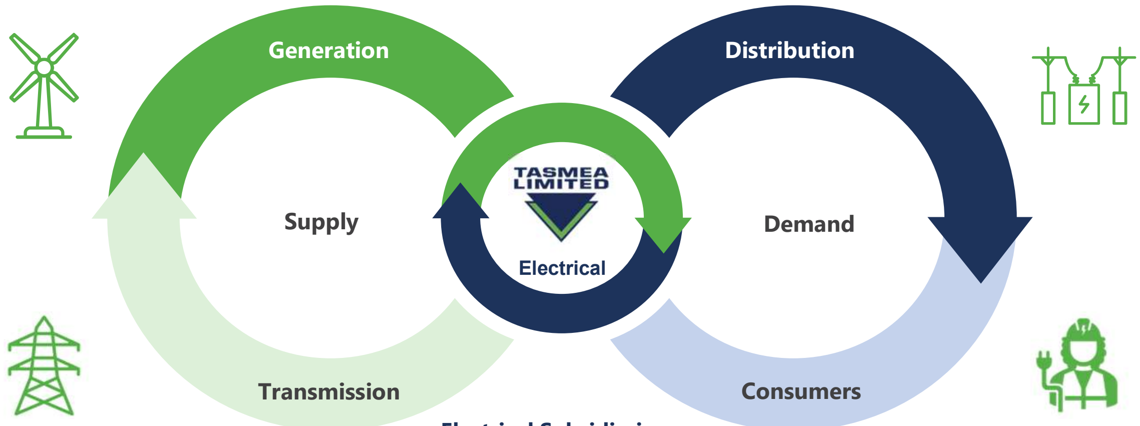
FEG's specialist capability in powerline and communication infrastructure sector complements Tasmea's existing electrical capabilities to offer **fully integrated solutions** to its main customers who are key participants in Australia's transition to green energy.

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.

42%
FY24 Tasmea Group Pro Forma Revenue Contribution (including FEG)

A$30m
FY24 Pro Forma EBIT (Electrical Segment including FEG)



Electrical Subsidiaries

Strengthens exposure to the electrification demand

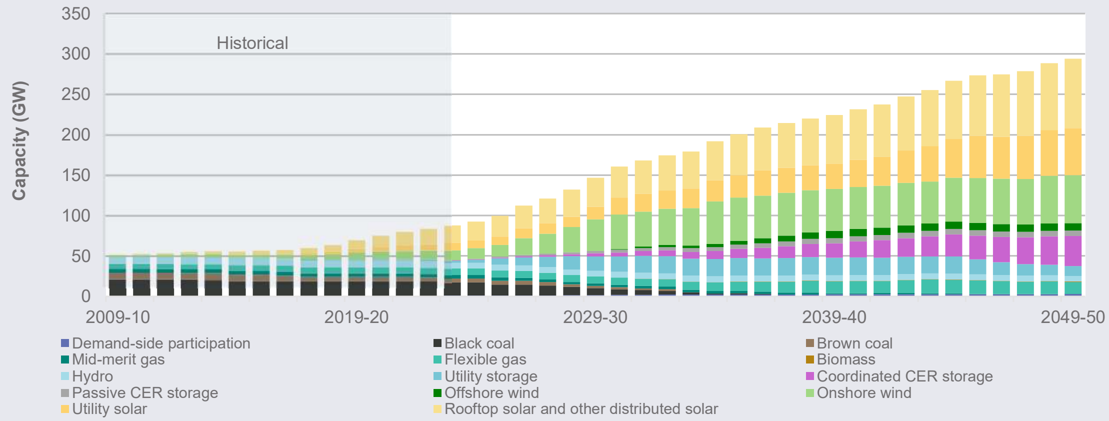
FEG enhances Tasmea's capability to capitalise on the rapidly growing electrification demand in Australia

Key Structural Tailwinds

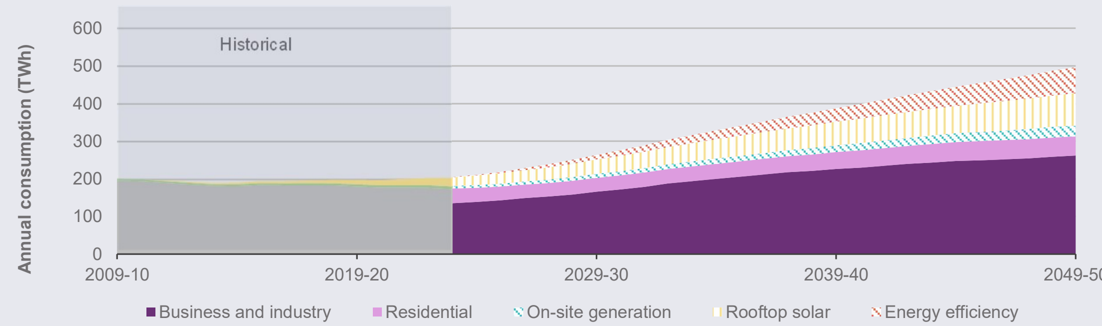
Australia is in a **transformative phase**, with rising demand for telecommunication and powerline infrastructure, and **increased investments** in transmission lines, substations, and transformers to integrate renewable energy and stabilise the grid.

- 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

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**

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Q&A

TASMEA LIMITED

Stephen Young
Managing Director

Mark Vartuli
Executive Director

Jason Pryde
Executive Director

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