



# INTERIM FINANCIAL REPORT

31 December 2024

**DELIVERING VALUE.  
ALWAYS!**



## Review of operations

On behalf of the Board of Tasmea Limited (“Tasmea” or “the Group”), we are pleased to present the Tasmea Interim Financial Report for the period ended 31 December 2024.

	31 Dec 2024	31 Dec 2023	Change	Change
Results Summary	\$'000	\$'000	\$'000	%
Revenue	246,651	193,318	53,333	27.6%
<b>Gross Profit</b>	<b>75,118</b>	<b>56,168</b>	<b>18,950</b>	<b>33.7%</b>
Earnings before interest, tax, depreciation and amortisation (EBITDA)	42,393	31,041	11,352	36.6%
<b>Operating profit before finance costs (EBIT)</b>	<b>35,642</b>	<b>24,809</b>	<b>10,833</b>	<b>43.7%</b>
Finance costs (net)	(3,891)	(2,321)	(1,570)	67.6%
<b>Profit before income tax expense</b>	<b>31,751</b>	<b>22,488</b>	<b>9,263</b>	<b>41.2%</b>
Income tax expense	(3,886)	(6,706)	2,820	(42.1%)
<b>Profit after income tax expense for the half year (NPAT)</b>	<b>27,865</b>	<b>15,782</b>	<b>12,083</b>	<b>76.6%</b>
<b>Cash generated from operations</b>	<b>33,390</b>	<b>26,247</b>	<b>7,143</b>	<b>27.2%</b>

## Financial results

**Revenue:** Our total revenue for the half year was \$246.7 million, representing a 27.6% increase from the prior year comparative period. This growth was primarily driven by strong performance in our core sectors—mining, resources, energy, and infrastructure and as a consequence of the integration of recent acquisitions for part of the half year.

**EBIT:** Tasmea's EBIT for the half year was \$35.6 million, reflecting a 43.7% increase from the prior year comparative period. The EBIT margin of 14.5% was driven principally by the highly specialised and critical services we provide to our blue-chip fixed plant customers. Our focus on delivering high-value, essential specialist services has enabled us to achieve this exceptional level of profitability, even in a competitive market environment.

**Net Profit:** Tasmea's net profit after tax (NPAT) for the half year was \$27.9 million, reflecting a 76.6% increase from prior year NPAT. This was driven by revenue growth, efficient cost management, the positive impact of our acquisitions and the recognition of a deferred tax asset in respect of carried forward tax losses, previously off balance sheet, given the certainty of their realisation.

**Operating Cash Flow Conversion:** Tasmea achieved a high Operating Cash Flow before interest and tax conversion to EBIT rate of 93.7% for the half year. This strong conversion rate is attributed to our business model, where the majority of work is conducted on a schedule of rates with a maintenance focus, allowing us to invoice regularly for work completed each month.

The Group's trading results reflect the ongoing strategic focus on recurring revenue generated from providing specialist maintenance, shutdown and skilled labour services to “Essential Industry” asset owners. The year on year growth is driven by a combination of growth by acquisition and the scaling up (organic growth) of those businesses.

## Financial position

The Group's financial position has significantly improved during the year, on the back of the strong financial performance, cash collection and debt repayments.

At 31 December 2024, net debt excluding property leases was \$83.8 million. Net debt has increased due to the \$50 million loan drawdown for the purchase of Future Engineering Group.

At 31 December 2024, Tasmea's net debt to last twelve months EBIT ratio is 1.1x. The Group has increased its borrowings to enable investment in new businesses in this half.

### ***Business acquisitions***

The Group acquired West Coast Lining Systems (August 2024) and Future Engineering Group (September 2024) during the first quarter. These acquisitions were specifically targeted to increase the Group's specialist service offerings in the Electrical, Mechanical and Water & Fluid services cash generating units. The acquisitions have been successfully integrated into the Group.

### ***Dividends***

Reflecting our strong financial performance, on 24 February 2025 the Tasmea Board declared a fully franked interim dividend of 5.0 cents per share (up from 2.5 cents per share in the prior comparative period). The dividend will be paid on 15 May 2025, with the date for determining entitlements being 30 April 2025.

All Australian and New Zealand resident Tasmea shareholders are eligible to participate in the Dividend Reinvestment Plan (DRP) for shares held on the relevant dividend record date. The Tasmea Executive Directors have confirmed their intention to participate in the DRP for the interim dividend.

### ***People***

The Group's subsidiaries have managed their direct and indirect employment levels in line with project demands. Recruitment efforts have enabled headcount to increase by 14.3% since the last financial year, primarily due to the employees transferred from recent acquisitions. Tasmea's skilled workforce now totals in excess of 1,600 employees. The Group has invested in developing our leadership team and service delivery teams, to ensure they have the skills required to deliver on our growth strategy.

### ***Safety and care***

Safety remains a key focus for the Group.

Tasmea management and employees share a mutual responsibility to deliver work in a manner which does not harm either the employee or those who work alongside them. The Group's subsidiary employees maintained their attention to this essential obligation last financial year and once again we are proud to announce there have been no lost time injury's during the period with the Group extending its overall LTI free record to now more than 4,200+ days.

Tasmea subsidiaries maintained their workers' compensation self-insurance status for its South Australian operations.

### ***Exceptional skill and service***

Tasmea subsidiaries continue to foster essential skills and harness innovation and experience within their niche service lines. Acquisition opportunities are strategic with a strong bias towards remote maintenance and recurring services to essential asset owners. Tasmea continues to achieve high levels of customer satisfaction and maintains a strong pipeline of recurring work delivered via Master Service Agreements and Facility Agreements.

### ***Systems and processes***

A continuous improvement focus has been applied to the back office and the Group has invested in system upgrades, system rollouts and integration of business acquisitions. Significant improvement has been made in the current year, which will continue through to the end of financial year.

*Outlook for the second half of FY25*

Tasmea is strategically positioned for continued growth in the second half and has upgraded statutory NPAT guidance \$52 million (after allowing for the forecast expenditure in the second half related to the Employee Share Ownership Plan, Long Term Incentive Plan and Option Incentive Plan) up from \$48 million previously provided at the Company's Annual General Meeting held in November 2024.

The Group's integration of its largest acquisition Future Engineering Group remains ahead of plan. The outlook for key commodities across iron ore, copper, and gold remains sound with large iron ore miners looking to maintain or increase volumes. The energy transition and electrification thematic continues to provide significant opportunities for Tasmea's Electrical Segment subsidiaries as well as a number of Tasmea's Mechanical and Civil Segment subsidiaries.

Tasmea is progressing several programmatic strategic business acquisition opportunities which, if completed, will be earnings accretive from the date of acquisition, consistent with prior acquisitions.

On behalf of the Board, we thank our customers, suppliers and employees, who have contributed to the continued success of the Group.

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### **General information**

The financial statements cover Tasmea Limited as a consolidated entity consisting of Tasmea Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Tasmea Limited's functional and presentation currency.

Tasmea Limited is a listed public company limited by shares, incorporated and domiciled in Australia.

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 24 February 2025. The directors do not have the power to amend and reissue the financial statements.

The directors of Tasmea Limited present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity' or 'Group') consisting of Tasmea Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

### Directors

The following persons were directors of Tasmea Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mr Giuseppe Totaro	Non-executive Director and Chairman
Mr Michael Terlet	Non-executive Director
Ms Kristie Young	Non-executive Director
Mr Stephen Young	Managing Director
Mr Mark Vartuli	Executive Director
Mr Jason Pryde	Executive Director
Mr Trent Northover	Executive Director (appointed 3 February 2025)

### Principal activities

During the financial half-year the principal continuing activities of the consolidated entity consisted of the provision of engineering and maintenance services to the following industries:

- Mining and resources industry;
- Oil and gas industry;
- Water industry;
- Defence and infrastructure industry; and
- Power and renewable energy industry.

### Review of operations

The profit for the consolidated entity after providing for income tax and non-controlling interest amounted to \$27,813,000 (31 December 2023: \$15,782,000).

Further information regarding the Group's results and operations during the half year is included in the review of operations on pages 1-2 of the Interim Financial Report.

### Dividends

	31 Dec 2024	31 Dec 2023
	\$'000	\$'000
Dividends paid during the half-year were as follows:		
Final dividend for the year ended 30 June 2024 of 4.0 cents per ordinary share		
(30 June 2023 Final Dividend 2.0 cents)	9,081	3,912

Tasmea has a Dividend Reinvestment (DRP) which enables all shareholders to elect to have all or some of their dividend reinvested in additional Tasmea shares. The DRP was applicable for the FY24 Final Dividend.

### Matters subsequent to the end of the financial half-year

On 23 January 2025, Tasmea Limited issued an additional 100,000 ordinary shares, with a fair value of \$295,000, to a senior employee who has elected to salary sacrifice for ordinary shares in the company.

On 3 February 2025, Trent Northover was appointed to the Board of Tasmea Limited as an Executive Director.

On 24 February 2025 the Tasmea Board declared an interim fully franked dividend of 5.0 cents per share (up from 2.5 cents per share in the prior comparative period). The dividend will be paid on 15 May 2025, with the date for determining entitlements being 30 April 2025.

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

#### **Rounding of amounts**

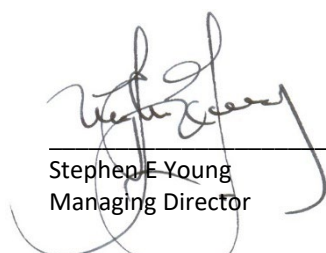
The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

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

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Stephen E Young  
Managing Director

24 February 2025



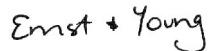
Mark G Vartuli  
Executive Director

## Auditor's Independence Declaration to the Directors of Tasma Limited

As lead auditor for the review of the half-year financial report of Tasma Limited for the half-year ended 31 December 2024, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

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



Ernst & Young



David Sanders  
Partner  
Adelaide  
24 February 2025



**Tasmea Limited**  
**Consolidated statement of profit or loss and other comprehensive income**  
**For the half-year ended 31 December 2024**



	Note	31 Dec 2024 \$'000	31 Dec 2023 \$'000
<b>Revenue</b>			
Revenue from contracts with customers	5	246,651	193,318
Cost of sales	7	(171,533)	(137,150)
<b>Gross profit</b>		<b>75,118</b>	<b>56,168</b>
Other income	6	5,634	1,218
<b>Expenses</b>			
Administrative expenses		(38,359)	(26,345)
Depreciation and amortisation expense		(6,751)	(6,232)
<b>Operating profit before finance costs</b>		<b>35,642</b>	<b>24,809</b>
Finance costs(net)		(3,891)	(2,321)
<b>Profit before income tax expense</b>		<b>31,751</b>	<b>22,488</b>
Income tax expense	8	(3,886)	(6,706)
<b>Profit after income tax expense for the half-year</b>		<b>27,865</b>	<b>15,782</b>
Other comprehensive income for the half-year, net of tax		-	-
<b>Total comprehensive income for the half-year</b>		<b>27,865</b>	<b>15,782</b>
Profit for the half-year is attributable to:			
Non-controlling interest		52	-
Owners of Tasmea Limited		27,813	15,782
		<b>27,865</b>	<b>15,782</b>
Total comprehensive income for the half-year is attributable to:			
Non-controlling interest		52	-
Owners of Tasmea Limited		27,813	15,782
		<b>27,865</b>	<b>15,782</b>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	27	12.32	8.07
Diluted earnings per share	27	12.32	8.07

*The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

**Tasmea Limited**  
**Consolidated statement of financial position**  
**As at 31 December 2024**



	Note	31 Dec 2024 \$'000	30 June 2024 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	9	26,411	25,125
Trade and other receivables	10	54,954	53,911
Contract assets	5	27,803	32,737
Inventories	11	18,465	15,421
Other assets	12	5,693	5,113
		<u>133,326</u>	<u>132,307</u>
Non-current assets classified as held for sale	13	790	790
<b>Total current assets</b>		<b><u>134,116</u></b>	<b><u>133,097</u></b>
<b>Non-current assets</b>			
Right-of-use assets	14	6,887	6,889
Property, plant and equipment	15	69,874	57,613
Intangible assets	16	170,917	89,394
Deferred tax asset	8	6,924	3,113
Other assets	12	391	759
<b>Total non-current assets</b>		<b><u>254,993</u></b>	<b><u>157,768</u></b>
<b>Total assets</b>		<b><u>389,109</u></b>	<b><u>290,865</u></b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	17	42,810	57,896
Contract liabilities	5	7,019	4,920
Lease liabilities	18	2,983	3,189
Borrowings	19	21,575	21,614
Derivative financial instruments	20	1,192	-
Provision for income tax		16,636	14,066
Provision for employee benefits	21	12,018	10,794
Other provisions	22	8,511	1,850
<b>Total current liabilities</b>		<b><u>112,744</u></b>	<b><u>114,329</u></b>
<b>Non-current liabilities</b>			
Lease liabilities	18	3,608	4,141
Borrowings	19	88,641	36,728
Provision for employee benefits	21	628	627
Other provisions	22	14,919	3,683
<b>Total non-current liabilities</b>		<b><u>107,796</u></b>	<b><u>45,179</u></b>
<b>Total liabilities</b>		<b><u>220,540</u></b>	<b><u>159,508</u></b>
<b>Net assets</b>		<b><u>168,569</u></b>	<b><u>131,357</u></b>
<b>Equity</b>			
Issued capital	24	140,132	121,795
Reserves	25	91	-
Retained profits		<u>28,170</u>	<u>9,438</u>
Equity attributable to the owners of Tasmea Limited		<u>168,393</u>	<u>131,233</u>
Non-controlling interest		<u>176</u>	<u>124</u>
<b>Total equity</b>		<b><u>168,569</u></b>	<b><u>131,357</u></b>

*The above consolidated statement of financial position should be read in conjunction with the accompanying notes*

**Tasmea Limited**  
**Consolidated statement of changes in equity**  
**For the half-year ended 31 December 2024**



	Issued capital \$'000	Retained profits \$'000	Share based payment reserve \$'000	Non- controlling interest \$'000	Total equity \$'000
Balance at 1 July 2023	84,416	(10,709)	-	153	73,860
Profit after income tax expense for the half-year	-	15,782	-	-	15,782
Other comprehensive income for the half-year, net of tax	-	-	-	-	-
Total comprehensive income for the half-year	-	15,782	-	-	15,782
<i>Transactions with owners in their capacity as owners:</i>					
Shares issued as consideration for interest in A Noble & Son (note 23)	1,000	(847)	-	(153)	-
Dividends paid (note 26)	-	(3,912)	-	-	(3,912)
<b>Balance at 31 December 2023</b>	<b>85,416</b>	<b>314</b>	<b>-</b>	<b>-</b>	<b>85,730</b>
	Issued capital \$'000	Retained profits \$'000	Share based payments reserve \$'000	Non- controlling interest \$'000	Total equity \$'000
Balance at 1 July 2024	121,795	9,438	-	124	131,357
Profit after income tax expense for the half-year	-	27,813	-	52	27,865
Other comprehensive income for the half-year, net of tax	-	-	-	-	-
Total comprehensive income for the half-year	-	27,813	-	52	27,865
<i>Transactions with owners in their capacity as owners:</i>					
Shares issued as purchase consideration for acquisition of Future Engineering Group (note 23)	12,250	-	-	-	12,250
Share based payments (note 30)	412	-	91	-	503
Shares issued in the Dividend Reinvestment Plan (note 24)	5,675	-	-	-	5,675
Dividends paid (note 26)	-	(9,081)	-	-	(9,081)
<b>Balance at 31 December 2024</b>	<b>140,132</b>	<b>28,170</b>	<b>91</b>	<b>176</b>	<b>168,569</b>

*The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes*

	Note	31 Dec 2024 \$'000	31 Dec 2023 \$'000
<b>Cash flows from operating activities</b>			
Receipts from customers		290,497	203,520
Payments to suppliers		(257,107)	(177,273)
<b>Cash generated from operations</b>		<b>33,390</b>	<b>26,247</b>
Interest received		185	40
Interest and other finance costs paid		(4,076)	(2,360)
Income taxes paid		(5,832)	(211)
<b>Net cash from operating activities</b>		<b>23,667</b>	<b>23,716</b>
<b>Cash flows from investing activities</b>			
Payments for subsidiaries, net of cash acquired	23	(41,966)	(16,029)
Payments of deferred acquisition consideration		(700)	(114)
Distributions paid relating to subsidiaries acquired		(11,500)	-
Proceeds from disposal of investments	29	-	475
Payments for property, plant and equipment		(10,352)	(8,089)
Proceeds from disposal of property, plant and equipment		124	114
<b>Net cash used in investing activities</b>		<b>(64,394)</b>	<b>(23,643)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		59,709	22,356
Dividends paid		(6,484)	(2,048)
Repayment of borrowings		(8,021)	(9,532)
Repayment of lease liabilities		(3,191)	(2,829)
<b>Net cash from financing activities</b>		<b>42,013</b>	<b>7,947</b>
<b>Net increase in cash and cash equivalents</b>		<b>1,286</b>	<b>8,020</b>
Cash and cash equivalents at the beginning of the financial year		25,125	17,007
<b>Cash and cash equivalents at the end of the half-year</b>		<b>26,411</b>	<b>25,027</b>



### **Note 1. Reporting entity**

Tasmea Limited (the “Company”) is a company domiciled in Australia. The address of the Company’s registered office is 75 Verde Drive, Jandakot, WA 6164.

The consolidated interim financial statements of the Company as at and for the half year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the “Group” and individually as “Group entities”). The Group is a for-profit consolidated entity and is primarily involved in providing engineering and maintenance services to the mining and resources, water and defence industries.

These interim financial statements were authorised for issue by the Company’s board of directors on 24 February 2025.

### **Note 2. Material accounting policy information**

These general purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated. A number of prior year balance disclosures have been updated in the current year to align with the current year disclosures.

### **New or amended Accounting Standards and Interpretations adopted**

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.

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

### **Note 3. Critical accounting judgements, estimates and assumptions**

In preparing these interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

#### Note 4. Operating segments

##### Identification of reportable operating segments

The Group is organised into four operating segments based on differences in products and services provided: electrical, mechanical, civil and, water & fluid. These operating segments are based on the internal reports that are reviewed and used by the Executive Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

Other segments represent the property, plant and equipment held to benefit multiple segments, and corporate services provided to benefit multiple segments.

The CODM reviews revenue, gross margin, earnings before interest, tax depreciation and amortisation (EBITDA), earnings before interest and tax (EBIT) and operating cash flows (OCF). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

##### Intersegment transactions

Intersegment transactions are eliminated on consolidation and appear in the Corporate & Eliminations column of the operating segment information table.

##### Intersegment receivables, payables and loans

Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation.

##### Operating segment information

	Electrical \$'000	Mechanical \$'000	Civil \$'000	Water & Fluid \$'000	Corporate & Elimination \$'000	Total \$'000
<b>31 Dec 2024</b>						
<b>Revenue</b>						
Sales to external customers	94,891	68,050	44,044	38,071	1,595	246,651
<b>Total revenue</b>	<b>94,891</b>	<b>68,050</b>	<b>44,044</b>	<b>38,071</b>	<b>1,595</b>	<b>246,651</b>
<b>Earnings before interest and tax</b>	<b>18,664</b>	<b>6,794</b>	<b>7,220</b>	<b>3,117</b>	<b>(153)</b>	<b>35,642</b>
Finance costs	(510)	(463)	(455)	(398)	(2,065)	(3,891)
<b>Profit/(loss) before income tax expense</b>	<b>18,154</b>	<b>6,331</b>	<b>6,765</b>	<b>2,719</b>	<b>(2,218)</b>	<b>31,751</b>
Income tax expense						(3,886)
<b>Profit after income tax expense</b>						<b>27,865</b>
<b>Assets</b>						
Segment assets	146,707	76,692	48,552	45,608	71,550	389,109
<b>Total assets</b>						<b>389,109</b>
<b>Liabilities</b>						
Segment liabilities	107,025	32,585	26,082	28,920	25,928	220,540
<b>Total liabilities</b>						<b>220,540</b>

Note 4. Operating segments (continued)

	Electrical \$'000	Mechanical \$'000	Civil \$'000	Water & Fluid \$'000	Corporate & Eliminations \$'000	Total \$'000
<b>31 Dec 2023</b>						
<b>Revenue</b>						
Sales to external customers	68,687	68,058	26,847	33,757	(4,031)	193,318
<b>Total revenue</b>	<b>68,687</b>	<b>68,058</b>	<b>26,847</b>	<b>33,757</b>	<b>(4,031)</b>	<b>193,318</b>
<b>Earnings before interest and tax</b>	<b>6,901</b>	<b>7,913</b>	<b>5,012</b>	<b>3,444</b>	<b>1,539</b>	<b>24,809</b>
Finance costs	(588)	(949)	(271)	(295)	(218)	(2,321)
<b>Profit before income tax expense</b>	<b>6,313</b>	<b>6,964</b>	<b>4,741</b>	<b>3,149</b>	<b>1,321</b>	<b>22,488</b>
Income tax expense						(6,706)
<b>Profit after income tax expense</b>						<b>15,782</b>
<b>30 June 2024</b>						
<b>Assets</b>						
Segment assets	42,272	89,508	51,497	33,949	73,639	290,865
<b>Total assets</b>						<b>290,865</b>
<b>Liabilities</b>						
Segment liabilities	34,797	53,333	29,688	26,160	15,530	159,508
<b>Total liabilities</b>						<b>159,508</b>

## Note 5. Revenue from contracts with customers

The Group's operations and main revenue streams are those described in the last annual financial statements. The Group's revenue is derived from contracts with customers.

	31 Dec 2024 \$'000	31 Dec 2023 \$'000
Sales - Services	226,562	171,373
Sales - Goods	20,089	21,945
<b>Total revenue from contracts with customers</b>	<b>246,651</b>	<b>193,318</b>

Key information relating to the Group's interim financial performance, and revenue disaggregated by major service lines and timing of revenue recognition, is detailed below.

### For the period ended 31 Dec 2024

Type of service	Electrical \$'000	Mechanical \$'000	Civil \$'000	Water & Fluid \$'000	Corporate & Elimination \$'000	Total \$'000
<i>Timing of revenue recognition</i>						
Revenue recognised over time	94,891	54,489	43,169	32,418	1,595	226,562
Revenue recognised at a point in time	-	13,561	875	5,653	-	20,089
<b>Total revenue from contracts with customers</b>	<b>94,891</b>	<b>68,050</b>	<b>44,044</b>	<b>38,071</b>	<b>1,595</b>	<b>246,651</b>

### For the period ended 31 Dec 2023

Type of service	Electrical \$'000	Mechanical \$'000	Civil \$'000	Water & Fluid \$'000	Corporate & Elimination \$'000	Total \$'000
<i>Timing of revenue recognition</i>						
Revenue recognised over time	68,687	52,204	26,847	27,666	(4,031)	171,373
Revenue recognised at a point in time	-	15,854	-	6,091	-	21,945
<b>Total revenue from contracts with customers</b>	<b>68,687</b>	<b>68,058</b>	<b>26,847</b>	<b>33,757</b>	<b>(4,031)</b>	<b>193,318</b>

	31 Dec 2024	30 June 2024
Contract Assets	27,803	32,737
Contract Liabilities	(7,019)	(4,920)
	<b>20,784</b>	<b>27,817</b>

AASB 15 uses the terms 'contract asset' and 'contract liability' to describe what is commonly known as 'accrued revenue' and 'deferred revenue'. Contract assets represent the Group's right to consideration for services provided to customers for which the Group's right remains conditional on something other than the passage of time. Contract liabilities arise where payment is received prior to work being performed.

Contract Assets prior year balance disclosure has been updated in the current period to align with the current year disclosures.



**Note 6. Other income**

	31 Dec 2024 \$'000	31 Dec 2023 \$'000
Net fair value gain on financial liabilities (a)	4,589	-
Net gain on disposal of property, plant and equipment	124	114
Government grant income	-	171
Other	921	933
<b>Total other income</b>	<b>5,634</b>	<b>1,218</b>

(a) The Group has a derivative liability in relation to the Future Engineering Group acquisition and changes in the fair value of the derivative have been recognised in other income. Details of the derivative liability are disclosed in note 20 and note 23.

**Note 7. Cost of sales**

	31 Dec 2024 \$'000	31 Dec 2023 \$'000
Labour	72,593	57,929
Materials	40,592	38,558
Services and contractors	28,996	16,370
Other employee costs	7,944	6,395
Plant and equipment costs	8,233	4,691
Travel and accommodation costs	3,399	2,569
Freight costs	1,557	1,049
Other costs of sales	8,219	9,589
<b>Total cost of sales</b>	<b>171,533</b>	<b>137,150</b>

Labour and other employee costs prior year balance disclosure have been updated in the current period to align with the current year disclosures.

## Note 8. Income tax

	31 Dec 2024 \$'000	31 Dec 2023 \$'000
<i>Reconciliation of income tax expense and tax at the statutory rate</i>		
Profit before income tax expense	31,751	22,488
Tax at the statutory tax rate of 30%	9,525	6,746
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Origination and reversal of temporary differences	95	(194)
Revaluation of derivative liabilities	(1,377)	-
Sundry items	(135)	154
	8,108	6,706
Recognition of carried forward tax losses	(4,222)	-
Income tax expense	3,886	6,706
	\$'000	\$'000
<i>Deferred tax asset</i>		
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Recognition of carried forward tax losses	4,222	-
Property, plant and equipment	(2,275)	(2,656)
Employee benefits	3,575	4,056
Leases	19	64
Accrued expenses	781	127
Transaction costs deductible in future periods	1,194	1,671
Inventories	(94)	143
Other	(498)	(292)
Deferred tax asset	6,924	3,113

## Note 9. Cash and cash equivalents

	31 Dec 2024 \$'000	30 June 2024 \$'000
<i>Current assets</i>		
Cash at bank	25,838	24,516
Cash on short term deposit	573	609
<b>Total cash and cash equivalents</b>	<b>26,411</b>	<b>25,125</b>

#### Note 10. Trade and other receivables

	31 Dec 2024 \$'000	30 June 2024 \$'000
Trade receivables	53,504	52,994
Less: Allowance for expected credit losses	(463)	(424)
	<u>53,041</u>	<u>52,570</u>
Other receivables	<u>1,913</u>	<u>1,341</u>
<b>Total trade and other receivables</b>	<b><u>54,954</u></b>	<b><u>53,911</u></b>

#### Note 11. Inventories

	31 Dec 2024 \$'000	30 June 2024 \$'000
Raw materials and Work In Progress	<u>2,887</u>	<u>1,638</u>
Finished goods	16,053	14,258
Less: Provision for impairment	(475)	(475)
	<u>15,578</u>	<u>13,783</u>
<b>Total inventories</b>	<b><u>18,465</u></b>	<b><u>15,421</u></b>

#### Note 12. Other assets

	31 Dec 2024 \$'000	30 June 2024 \$'000
<i>Current assets</i>		
Prepayments	5,197	4,536
Other current assets	<u>496</u>	<u>577</u>
<b>Total other current assets</b>	<b><u>5,693</u></b>	<b><u>5,113</u></b>
<i>Non-current assets</i>		
Total other non-current assets	<u>391</u>	<u>759</u>

#### Note 13. Non-current assets classified as held for sale

	31 Dec 2024 \$'000	30 June 2024 \$'000
<i>Current assets</i>		
Land and buildings	<u>790</u>	<u>790</u>

In June 2023, management committed to sell a property in Karratha, Western Australia, to Related Parties. The sale was approved by shareholders at an Extraordinary General Meeting on 4 September 2023. The sale is pending approval from a local government authority. Accordingly, the asset is classified as held for sale at 31 December 2024.

**Note 14. Right-of-use assets**

	31 Dec 2024 \$'000	30 June 2024 \$'000
<i>Non-current assets</i>		
Land and buildings - right-of-use	6,558	6,375
Motor vehicles - right-of-use	329	514
	<u>6,887</u>	<u>6,889</u>

**Note 15. Property, plant and equipment**

	31 Dec 2024 \$'000	30 June 2024 \$'000
<i>Non-current assets</i>		
Land - at cost	<u>1,857</u>	<u>1,857</u>
Land and buildings - at cost	3,704	843
Less: Accumulated depreciation	<u>(73)</u>	<u>(98)</u>
	<u>3,631</u>	<u>745</u>
Leasehold improvements - at cost	5,977	5,029
Less: Accumulated depreciation	<u>(2,451)</u>	<u>(1,505)</u>
	<u>3,526</u>	<u>3,524</u>
Plant and equipment - at cost	52,687	48,157
Less: Accumulated depreciation	<u>(24,104)</u>	<u>(20,381)</u>
	<u>28,583</u>	<u>27,776</u>
Motor vehicles - at cost	42,138	34,121
Less: Accumulated depreciation	<u>(17,060)</u>	<u>(14,543)</u>
	<u>25,078</u>	<u>19,578</u>
Office furniture & equipment - at cost	6,437	5,638
Less: Accumulated depreciation	<u>(5,296)</u>	<u>(4,533)</u>
	<u>1,141</u>	<u>1,105</u>
Capital work in progress	<u>6,058</u>	<u>3,028</u>
<b>Total property, plant and equipment</b>	<u><b>69,874</b></u>	<u><b>57,613</b></u>



## Note 16. Intangible assets

	31 Dec 2024 \$'000	30 June 2024 \$'000
Goodwill	169,558	87,967
Patents and trademarks	299	299
Less: Accumulated amortisation	(97)	(62)
	202	237
Customer contracts	1,390	1,390
Less: Accumulated amortisation	(233)	(200)
	1,157	1,190
<b>Total intangible assets</b>	<b>170,917</b>	<b>89,394</b>

### Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

	Goodwill \$'000	Patents & trademarks \$'000	Customer contracts \$'000	Total \$'000
Balance at 1 July 2024	87,967	237	1,190	89,394
Additions through business combinations (note 23)	81,591	-	-	81,591
Amortisation expense	-	(35)	(33)	(68)
<b>Balance at 31 December 2024</b>	<b>169,558</b>	<b>202</b>	<b>1,157</b>	<b>170,917</b>

Goodwill and other indefinite life intangibles are allocated for impairment testing purposes to cash generating units (CGUs) as follows:

	31 Dec 2024 \$'000	30 June 2024 \$'000
Electrical services	97,050	28,064
Mechanical services	34,060	31,715
Civil services	12,165	12,165
Water and fluid	25,223	14,963
Corporate	1,060	1,060
<b>Total intangible assets</b>	<b>169,558</b>	<b>87,967</b>

## Note 17. Trade and other payables

	31 Dec 2024 \$'000	30 June 2024 \$'000
<i>Current liabilities</i>		
Trade payables	24,542	25,003
Other payables and accrued expenses	16,699	27,530
Related party payables	269	3,363
Business acquisition costs payable	1,300	2,000
<b>Total trade and other payables</b>	<b>42,810</b>	<b>57,896</b>

#### Note 18. Lease liabilities

	31 Dec 2024 \$'000	30 June 2024 \$'000
<i>Current liabilities</i>		
Lease liabilities - Properties	2,726	2,783
Lease liabilities - Motor vehicles	257	406
<b>Total current lease liabilities</b>	<b>2,983</b>	<b>3,189</b>
<i>Non-current liabilities</i>		
Lease liabilities - Properties	3,522	4,018
Lease liabilities - Motor vehicles	86	123
<b>Total non-current lease liabilities</b>	<b>3,608</b>	<b>4,141</b>

#### Note 19. Borrowings

	31 Dec 2024 \$'000	30 June 2024 \$'000
<i>Current liabilities</i>		
Term loans	12,976	12,676
Equipment finance	6,499	5,552
Other short term loans	2,100	3,386
<b>Total current borrowings</b>	<b>21,575</b>	<b>21,614</b>
<i>Non-current liabilities</i>		
Term loans	76,932	24,761
Equipment finance	11,709	11,967
<b>Total non-current borrowings</b>	<b>88,641</b>	<b>36,728</b>

Tasmea Limited's various finance facilities include both fixed and floating interest rates depending on the nature of the facility. The maturity terms of the various finance facilities are reflected in the Current / Non-current split shown above.

Tasmea Limited's banking facilities require a number of standard representations, warranties and undertakings (including financial and reporting obligations) from Tasmea Limited and Tasmea Limited Group companies in favour of the respective lenders. The facilities also include a guarantee between the parent and the majority of Group companies with staged security enforcement rights and obligations. Fixed and floating security has been placed over all Group assets.

The Group has complied with all loan covenants in place during the period. There have been no changes to loan covenants in place since the last reporting period.

## Note 20. Derivative financial instruments

	31 Dec 2024 \$'000	30 June 2024 \$'000
<i>Current liabilities</i>		
Derivative liabilities at fair value	1,192	-

The Group has an outstanding put option in relation to the Future Engineering Group acquisition. Details of the put option are disclosed in note 23. As of 31 December 2024, the fair value of these put options was recorded as a liability.

The Group measures its derivative financial instruments at fair value at each balance sheet date. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All derivative financial instruments for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. Tasmea has applied Level 2 valuation techniques to the derivative liability ie where the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Changes in fair value are recognised in the income statement under Other Income (note 6).

## Note 21. Provision for employee benefits

	31 Dec 2024 \$'000	30 June 2024 \$'000
<i>Current liabilities</i>		
Annual leave	7,574	6,737
Long service leave	3,715	3,103
Other employee benefits	729	954
	<u>12,018</u>	<u>10,794</u>
<i>Non-current liabilities</i>		
Long service leave	<u>628</u>	<u>627</u>

## Note 22. Other provisions

	31 Dec 2024 \$'000	30 June 2024 \$'000
<i>Current liabilities</i>		
Contingent consideration	7,664	1,850
Lease make good	847	-
<b>Total current provisions</b>	<u><b>8,511</b></u>	<u><b>1,850</b></u>
<i>Non-current liabilities</i>		
Contingent consideration	14,662	3,377
Workers compensation self insurance	257	306
<b>Total non-current provisions</b>	<u><b>14,919</b></u>	<u><b>3,683</b></u>

### *Contingent consideration*

The provision represents the obligation to pay contingent purchase consideration following the acquisition of a business or assets. It is measured at the present value of the estimated liability. Refer to note 23 for a breakdown of this amount and the business combination disclosures.

## Note 23. Business combinations

### West Coast Lining Systems

On 1 August 2024, Tasmea Limited acquired the assets of West Coast Lining Systems ("WCLS"). WCLS is a specialist supplier and installer of geomembrane liners, specifically High Density Polyethylene and Linear Low Density Polyethylene liners. The acquisition of WCLS provides a strategic opportunity for the consolidated entity to diversify its client base and geographical scope of operations. The acquisition of WCLS provides a strategic opportunity for the Group to gain greater exposure to the Western Australian geomembrane lining market.

The acquired business contributed revenues of \$3.2 million and profit after tax of \$0.5 million to the consolidated entity for the 5 month period to 31 December 2024. If WCLS had been acquired on 1 July 2024, revenue contribution to the Group for the half year is estimated to have been \$4.4 million and profit after tax is estimated to have been \$0.8 million.

Goodwill of \$10.3 million is primarily related to growth expectations, expected future profitability, and expected cost synergies. Goodwill has been allocated to the Water & Fluid cash-generating unit. The values identified in relation to the acquisition of WCLS are provisional as at 31 December 2024 pending further analysis of intangible assets and deferred tax balances.

Details of the acquisition are as follows:

	Fair value \$'000
Inventories	835
Contract assets	47
Property, plant and equipment	300
Other provisions	(101)
Net assets acquired	1,081
Goodwill	10,260
Acquisition-date fair value of the total consideration transferred	11,341
Representing:	
Cash paid to vendor	9,431
Contingent consideration	1,910
	11,341
Acquisition costs expensed to profit or loss	(531)
Cash used to acquire business, net of cash acquired at 31 December 2024:	
Acquisition-date fair value of the total consideration transferred	11,341
Less: contingent consideration	(1,910)
Net cash used	9,431

### Contingent consideration

As part of the purchase agreement with the previous owners of WCLS, a contingent consideration has been agreed. There will be additional cash payments to the previous owners of WCLS where WCLS achieves an EBIT of \$4.0 million or higher for the 12 months ended 31 July 2025, and an EBIT of \$4.0 million or higher for the 12 months ended 31 July 2026. Where EBIT exceeds \$4.0 million, the earnout amount is \$1.0 million plus \$0.25 for each \$1.00 by which the EBIT exceeds \$4.0 million. Where EBIT is less than \$4.0 million, the earnout amount reduces by \$1.00 for each \$1.00 by which the EBIT is less than \$4.0 million. Where EBIT is \$3.0 million or less, no earnout is payable. As at 31 December 2024, the key performance indicators of WCLS show it is probable that the EBIT target will be achieved in both years and a contingent liability of \$2.0 million, discounted to present value, has been recognised.

**Note 23. Business combinations (continued)**

***Future Engineering Group***

On 2 September 2024, Tasmea Limited acquired 100% of Future Engineering & Communication Pty Ltd and associated entities Future Power WA Pty Ltd, Rollwell Engineering Pty Ltd and Westplant Pty Ltd (collectively "**Future Engineering Group**").

Future Engineering Group specialises in design, supply and installation of powerline infrastructure, lattice towers, steel monopoles, guyed masts and custom designed structures, customised rolling, pressing, welding and heavy steel fabrication solutions and provides maintenance services.

The 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.

The acquired business contributed revenues of \$22.3 million and profit after tax of \$3.7 million to the consolidated entity for the 4 month period to 31 December 2024. If Future Engineering Group had been acquired on 1 July 2024, revenue contribution to the Group for the half year is estimated to have been \$31.3 million and profit after tax is estimated to have been \$4.6 million.

Goodwill of \$71.0 million is primarily related to growth expectations, expected future profitability, and expected cost synergies. Goodwill has been allocated to the Electrical and Mechanical cash-generating units. The values identified in relation to the acquisition of Future Engineering Group are provisional as at 31 December 2024 pending further analysis of intangible assets and deferred tax balances.

**Note 23. Business combinations (continued)**

Details of the acquisition are as follows:

	Future Engineering & Communication s	Future Power WA	Westplant	Rollwell Engineering	Future Engineering Group Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	11,814	2,135	401	402	14,752
Trade receivables	4,790	712	64	1,644	7,210
Contract assets	1,573	-	-	-	1,573
Other current assets	259	-	6	167	432
Right-of-use assets	742	87	-	306	1,135
Property, plant & equipment	3,937	133	3,819	857	8,746
Trade payables	(7,365)	(318)	(125)	(842)	(8,650)
Provision for income tax	(519)	(172)	475	197	(19)
Employee benefits	(1,396)	(151)	-	(360)	(1,907)
Distributions payable	(9,839)	(898)	-	(763)	(11,500)
Lease liability	(742)	(87)	-	(306)	(1,135)
Other liabilities	(379)	(30)	-	(117)	(526)
Net assets acquired	<b>2,875</b>	<b>1,411</b>	<b>4,640</b>	<b>1,185</b>	<b>10,111</b>
Goodwill	<b>59,589</b>	<b>3,037</b>	<b>6,361</b>	<b>2,055</b>	<b>71,042</b>
Acquisition-date fair value of the total consideration transferred	<b>62,464</b>	<b>4,448</b>	<b>11,001</b>	<b>3,240</b>	<b>81,153</b>
Representing:					
Cash paid or payable to vendor	42,904	1,747	2,321	315	47,287
Tasmea Limited shares issued to vendor	2,532	1,835	5,897	1,986	12,250
Derivative liability	1,195	866	2,783	938	5,782
Contingent consideration	15,834	-	-	-	15,834
	<b>62,465</b>	<b>4,448</b>	<b>11,001</b>	<b>3,239</b>	<b>81,153</b>
Acquisition costs expensed to profit or loss	<b>327</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>327</b>
Cash used to acquire business, net of cash acquired:					
Acquisition-date fair value of the total consideration transferred	62,465	4,448	11,001	3,239	81,153
Less: cash acquired	(11,814)	(2,135)	(401)	(402)	(14,752)
Less: contingent consideration	(15,834)	-	-	-	(15,834)
Less: shares issued as part of consideration	(2,532)	(1,835)	(5,897)	(1,986)	(12,250)
Less: options issued as part of consideration	(1,195)	(866)	(2,783)	(938)	(5,782)
Net cash used/(received)	<b>31,090</b>	<b>(388)</b>	<b>1,920</b>	<b>(87)</b>	<b>32,535</b>

### **Note 23. Business combinations (continued)**

#### *Options issued as part consideration*

The purchase agreement with the Vendors, the shares issued as part of consideration are subject to an escrow period commencing on the issue of the shares and ending on the earlier of 31 August 2025 and the date that Tasmea discloses its audited financial accounts for the financial year ended 30 June 2025. The agreement provides that in the event the vendor wishes to sell the shares on market at the completion of the escrow period, and where the average market share price that the shares are sold for is less than \$2.50 per share, then Tasmea will make an additional payment to the share recipient for any shortfall. Tasmea's obligation in respect of this aspect of the share purchase agreement has been determined to be similar to a Put Option, and classified as a Derivative Liability in the acquisition accounting.

#### *Contingent consideration*

As part of the purchase agreement with the vendors, two of the ten previous shareholders agreed to a contingent consideration arrangement. The remaining eight shareholders received full payment upfront. Future payments to be made are contingent on Future Engineering Group's net profit contribution for the 12 month periods ending 30 June 2025, 30 June 2026 and 30 June 2027. As at the acquisition date, the fair value of the contingent consideration was estimated to be \$15,833,630. As at 31 December 2024, Future Engineering Group key performance indicators indicate that it is probable the contingent consideration will be payable.

#### ***Forefront Services (prior period acquisition)***

On 1 October 2023, Tasmea acquired MGW Engineering Pty Ltd trading as Forefront Services. The fair value of net assets acquired recognised in the 30 June 2024 financial statements was based on a provisional value. The acquisition accounting was finalised during the period and the fair value of net assets restated resulting in an increase to goodwill of \$0.28 million.



**Note 23. Business combinations (continued)**

***Reconciliation of contingent consideration payable in relation to business combinations:***

	31 Dec 2024 \$'000	30 June 2024 \$'000
Current contingent consideration payable in relation to the acquisitions of:		
- Future Engineering Group	4,250	-
- West Coast Lining Systems	1,000	-
- Forefront Services	2,413	1,150
- Dingo Concrete Services	-	500
- Sigma Power Services	-	200
Total current liability for contingent consideration (note 22)	7,663	1,850
Non-current contingent consideration payable in relation to the acquisitions of:		
- Future Engineering Group	11,584	-
- West Coast Lining Systems	910	-
- Forefront Services	2,168	3,144
Total non-current liability for contingent consideration (note 22)	14,662	3,144
	22,325	4,994

The Group measures its financial liabilities at fair value. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All contingent consideration liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. Tasmea has applied Level 3 inputs valuation techniques to the contingent consideration ie where the lowest level input that is significant to the fair value measurement is unobservable.

No transfers have occurred between levels in the hierarchy. Fair value changes during the period have been recognised in interest expense.

## Note 24. Issued capital

	31 Dec 2024 Shares	30 June 2024 Shares	31 Dec 2024 \$'000	30 June 2024 \$'000
Ordinary shares - fully paid	229,842,312	220,010,741	140,132	121,795

### Movements in ordinary share capital

Details	Date	Shares	Issue price	\$'000
Balance	1 July 2024	220,010,741		121,795
Share based payments to employees	31 July 2024	7,896	\$1.55	12
Shares issued as purchase consideration for acquisition of Future Engineering Group (note 23)	2 September 2024	7,000,000	\$1.75	12,250
Shares issued in the dividend reinvestment plan	17 October 2024	2,688,405	\$2.11	5,675
Share based payments to employees	27 December 2024	135,270	\$2.95	400
Balance	31 December 2024	229,842,312		140,132

### Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

## Note 25. Reserves

	31 Dec 2024 \$'000	30 June 2024 \$'000
Share-based payments reserve	91	-

### Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

## Note 26. Dividends

	31 Dec 2024 \$'000	31 Dec 2023 \$'000
Dividends paid during the financial half-year were as follows:		
Final dividend for the year ended 30 June 2024 of 4.0 cents per ordinary share (30 June 2023 Final Dividend 2.0 cents)	9,081	3,912

Tasmea has a Dividend Reinvestment (DRP) which enables all shareholders to elect to have all or some of their dividend reinvested in additional Tasmea shares. The DRP was applicable for the FY24 Final Dividend.

## Note 27. Earnings per share

	31 Dec 2024 \$'000	31 Dec 2023 \$'000
Profit after income tax	27,865	15,782
Non-controlling interest	(52)	-
Profit after income tax attributable to the owners of Tasmea Limited	<u>27,813</u>	<u>15,782</u>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	225,734,713	195,467,246
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	<u>79,830</u>	<u>-</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>225,814,543</u>	<u>195,467,246</u>
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	12.32	8.07
Diluted earnings per share	12.32	8.07

## Note 28. Interests in subsidiaries

Interests in subsidiaries are the same as those disclosed in the Group's last annual financial statements, as well as the addition of the following subsidiaries during the half year:

- WCLS Lining Systems Pty Ltd
- Future Engineering Group Holdings Pty Ltd
- Future Engineering & Communications Pty Ltd (as trustee)
- Future Engineering & Communications Unit Trust
- Future Power WA Pty Ltd
- Westplant Pty Ltd
- Rollwell Engineering Pty Ltd

## Note 29. Related party transactions

### *Parent entity*

The ultimate controlling entity of the Group is Tasmea Limited.

### *Key management personnel*

Key Management Personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. In the Interim Report, the KMP are referred to as either Non-Executive Directors, Executive Directors or Senior Executives. All KMP have held their positions for the duration of the financial year, and since the end of the financial year, unless indicated otherwise.

### *Transactions with related parties*

The following related party transactions with these entities occurred during the half year ended 31 December 2024.

The terms and conditions of the transactions and the associated agreements to which they relate (where applicable) that have been set out above are at arm's length and on normal commercial terms.

	31 Dec 2024	31 Dec 2023
	\$	\$
Sale of goods and services:		
Sale of services to Equity & Advisory Limited	114,004	117,395
Payment for goods and services:		
Payment for services from Equity & Advisory Limited	167,515	325,997

### *Amounts payable/receivable with related parties*

The following balances are outstanding at the reporting date in relation to payables and receivables with related parties:

	31 Dec 2024	30 June 2024
	\$	\$
Current receivables:		
Trade receivable from related parties	210,965	-
Current payables:		
Trade payable to Equity & Advisory Pty Ltd	-	286,388
Trade payable to other related parties	-	35,000
Rent payable to related parties	480,000	541,000
Dividends payable to related parties	-	3,077,705

### *Loans to/from related parties*

There were no loans to or from related parties at the current and previous reporting date.

### *Terms and conditions*

All transactions were made on normal commercial terms and conditions and at market rates.

### Note 30. Share-based payments

At Tasmea Limited's Annual General Meeting held on 20 November 2024, Shareholders approved the following Employee Share Schemes:

#### **Employee Share Ownership Plan**

The objective of the Employee Share Ownership Plan (ESOP) is to assist in the reward, retention and motivation of ESOP Eligible Participants and align the interests of those ESOP Eligible Participants with Shareholders of the Company by providing an opportunity to receive an equity interest in the Company.

#### **Bonus Share Plan**

The objective of the Bonus Share Plan is to assist in the reward, retention and motivation of Bonus Share Eligible Participants and align the interests of those Bonus Share Eligible Participants with Shareholders of the Company by providing an opportunity to receive an equity interest in the Company.

#### **Employee Incentive Plan**

The objective of the Employee Incentive Plan is to assist in the reward, retention and motivation of Incentive Eligible Participants and align the interests of those Incentive Eligible Participants with Shareholders of the Company by providing an opportunity to receive an equity interest in the Company.

#### **Option Incentive Plan**

The purpose of the Company's Option Incentive Plan is to retain and reward key employees in a manner aligned to the creation of shareholder wealth. No issue price is payable for Options issued under the Option Plan, however an offer of Options may set out vesting or performance conditions that apply to any exercise of Options.

Following the approval of the Option Incentive Plan a total of 3,000,000 options were issued to an Executive Director subject to the terms of the Option Incentive Plan. Each Option will entitle the holder to subscribe for one fully paid ordinary share in the Company for an exercise price of \$1.56 per Option upon satisfaction of performance hurdles which are based on achieving agreed earnings targets and continuing employment. All Options not exercised will lapse on the expiry date, within 5 years of the grant date, for those Options, or upon cessation of employment or a determination by the Board in certain cases of breach.

The following share-based payment arrangements were issued under the Option Incentive Plan during the half year ended 31 December 2024.

Series	Number	Grant Date	Expiry Date	Method of Valuation	Fair Value at Grant Date
OIP - Tranche 1	1,000,000	20/11/2024	30/06/2028	Black-Scholes	\$1.72
OIP - Tranche 2	1,000,000	20/11/2024	30/06/2029	Black-Scholes	\$1.75
OIP - Tranche 3	<u>1,000,000</u>	20/11/2024	30/06/2029	Black-Scholes	\$1.75
	<u>3,000,000</u>				

### Note 31. Contingent liabilities

	31 Dec 2024 \$'000	30 June 2024 \$'000
<b>Bank guarantee facilities</b>		
Amount used	9,057	6,048
Amount available	14,543	4,152
	<u>23,600</u>	<u>10,200</u>

In the normal course of business certain subsidiaries are required to enter into contracts that include performance obligations. These commitments only give rise to a liability where the respective subsidiary fails to perform its contractual obligations. Claims of this nature arise in the ordinary course of construction contracting. Where appropriate a provision is made for these issues.

### Note 32. Commitments

	31 Dec 2024 \$'000	30 June 2024 \$'000
<i>Business acquisition commitments (a)</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	2,000	-
One to five years	2,000	-
	<u>4,000</u>	<u>-</u>

#### *Short term lease commitments - operating*

Committed at the reporting date but not recognised as liabilities, payable:

Within one year	<u>150</u>	<u>300</u>
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#### *Lease commitments - finance*

Committed at the reporting date but not recognised as liabilities, payable:

Within one year	<u>6</u>	<u>12</u>
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#### *(a) Acquisition costs relating to the purchase of Groundbreaking Mining Solutions*

A deferred consideration has been agreed with the previous owners of GMS. Additional cash payments of up to \$2.0 million per year for each of the 2024, 2025, and 2026 where Groundbreaking Mining Solutions (GMS) achieves its EBITDA target and the vendors remain employed by GMS. As at 31 December 2024, there is a \$1.3 million recorded as a current payable for achieving the 2024 EBITDA target.

### Note 33. Events after the reporting period

On 23 January 2025, Tasmea Limited issued an additional 100,000 ordinary shares, with a fair value of \$295,000, to a senior employee who has elected to salary sacrifice for ordinary shares in the company.

On 3 February 2025, Trent Northover was appointed to the Board of Tasmea Limited as an Executive Director.

On 24 February 2025 the Tasmea Board declared an interim fully franked dividend of 5.0 cents per share (up from 2.5 cents per share in the prior comparative period). The dividend will be paid on 15 May 2025, with the date for determining entitlements being 30 April 2025.

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'Stephen E Young', written over a horizontal line.

Stephen E Young  
Managing Director  
24 February 2025

A handwritten signature in black ink, appearing to read 'Mark G Vartuli', written over a horizontal line.

Mark G Vartuli  
Executive Director



## Independent auditor's review report to the members of Tasma Limited

### Conclusion

We have reviewed the accompanying half-year financial report of Tasma Limited (the Company) and its subsidiaries (collectively the Group), which comprises the statement of financial position as at 31 December 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

### Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

### Directors' responsibilities for the half-year financial report

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

### Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all

significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Ernst & Young*

Ernst & Young



David Sanders  
Partner  
Adelaide  
24 February 2025