

2 June 2025

Tasmea Limited to acquire Vertex Group, expanding high voltage and portable power specialist service capabilities in the electrification industry

Investment Highlights

- Tasmea Limited (**Tasmea**, **ASX: TEA**) to acquire Vertex Power & Process Pty Ltd (**Vertex**) and VTX Group Services Pty Ltd (**VTX**), together the “Vertex Group”.
- Vertex Group diversifies and deepens Tasmea's offering in trade-based specialist service offerings in the electrification industry and maintains a strategic geographic competitive advantage.
- The purchase consideration consists of upfront consideration of approximately A\$9 million, and contingent consideration of approximately A\$2.75 million over three years subject to Vertex Group achieving agreed earn-out EBIT targets.
- Vertex Group earnings are expected to exceed A\$2.5 million EBIT per annum under Tasmea's ownership, from a pipeline of recurring revenue, a stable customer base and expected revenue synergies.
- There will be significant opportunities for Vertex Group to cross sell to Tasmea's existing customer base, as well as other synergy opportunities in relation to shared customers.
- The acquisition is expected to be Earnings per Share (**EPS**) accretive, enhancing shareholder value and reflecting the continued financial performance projected under Tasmea's ownership.

Summary of Acquisition

Tasmea is pleased to announce that it has executed a Share Purchase Agreement to acquire 100% of the issued capital in the Vertex Group. Completion is expected to occur in mid-to-late July 2025, subject to satisfaction of conditions precedent for the Buyer's benefit.

Vertex is an electrical services provider specialising in high voltage services to utilities, mining, and renewables clients across regional and remote areas of Western NSW, Victoria, and South Australia. The business supports long-term Electricity Transmission, Mining and Renewable Energy clients.

VTX provides end-to-end pumping and portable power solutions to the mining, agriculture, industrial, and local council sectors across Western NSW, Victoria, and South Australia. Through strong partnerships, skilled staff, modern facilities, and a premium rental fleet, VTX secures recurring maintenance work and supports major regional projects.

Vertex and VTX will form part of Tasma's Electrical Services Segment, enhancing Tasma's offering in high voltage services and portable energy solutions. Both businesses generate recurring revenue and enjoy deep, long-standing customer relationships across the Mining, Renewable Energy, Utilities, Industrial, and Local Government sectors in regional NSW, South Australia, and Victoria.

The Vertex Group will be integrated as a bolt-on to ICE Engineering, under the leadership of Trent Northover, further strengthening Tasma's high-voltage and power infrastructure capabilities. The acquisition expands Tasma's regional footprint and deepens its expertise in servicing energy infrastructure and remote area projects.

The Vertex Group will also unlock synergies through cross-servicing opportunities with existing Tasma subsidiaries, such as:

- High voltage engineering and testing support from Sigma Power Services.
- Powerline infrastructure integration with Future Engineering and Communication and Future Power.
- Combining with ICE Engineering to provide more fulsome electrical services to a number of Vertex's customers.
- Offering dewatering and industrial pumping solutions to our industrial and mining clients across the group.

The purchase consideration consists of the following elements:

- Upfront consideration:
 - a cash payment of A\$6.5 million (after estimated purchase price adjustments, which will be based on the finalised 31 May 2025 balance sheet);
 - the issue of A\$2.5 million in Tasma shares (714,286 escrowed shares at an issue price of A\$3.50 per share, subject to a price guarantee mechanism upon escrow release after 31 May 2026);
- Contingent consideration:
 - earn out payments of up to A\$2.75 million in total may be payable for the financial years FY26, FY27, and FY28, subject to Vertex Group achieving agreed EBIT targets in each year. This equates to a maximum of approximately A\$0.9 million per annum.

The acquisition of the Vertex Group is consistent with Tasma's strategy of acquiring high-quality, trade-based specialist service businesses that are earnings accretive and culturally aligned. The acquisition is expected to deliver approximately 3% accretion to Earnings per Share, underscoring Tasma's disciplined acquisition strategy and its ability to unlock shareholder value through earnings growth and revenue synergies.

The acquisition will be funded through a combination of cash reserves, existing finance facilities, the issue of Tasma scrip, and deferred earn out payments, which are expected to be funded from future cash flows generated by the Vertex Group.

Completion of the acquisition is anticipated in mid to late July 2025, with integration activities to ensure minimal disruption and seamless onboarding. Both Dave Parker and Brent Carthew, the founders of the Vertex Group, will remain in leadership roles post-acquisition, ensuring continuity of service and culture.

Comments from Management:

Stephen Young, Managing Director of Tasmea Limited, commented *"We're delighted to welcome Vertex and VTX into the Tasmea Group. These are high-performing businesses with a strong regional presence and long-term customer relationships in critical infrastructure sectors. Their values align closely with ours, and I'm confident they will integrate seamlessly. This acquisition strengthens our national capability and unlocks great opportunities to collaborate and deliver even greater value to our clients."*

Brent Carthew, Managing Director VTX and Dave Parker, Managing Director Vertex, said *"Joining the Tasmea Group marks an exciting new chapter for Vertex and VTX. From early discussions, it was clear that Tasmea shares our core values—especially around safety, quality, and investing in people. This partnership gives us the platform to expand our service offering, take on more complex projects, and bring new opportunities to our team and clients. We're proud of what we've built and look forward to continuing that journey as part of a larger group that understands and supports our purpose."*

This announcement was authorised for release by Stephen Young on behalf of the Board of Tasmea Limited.

For further information, please contact:

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About Tasmea Limited:

Tasmea owns and operates 24 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 provides outsourced specialist maintenance to fixed plant for essential industry asset owners in six growing industry sectors: mining and resources, oil and gas, defence, infrastructure and facilities, power and renewable energy, telecommunications, and retail, waste and water.

About Vertex and VTX:

Vertex Power & Process is a leader in high voltage services for transmission, mining and renewables infrastructure. With operations across Broken Hill, Buronga, and regional South Australia, Vertex supports clients such as Tronox, Perilya, TransGrid, and Tilt Renewables, with a reputation built on safety, skill, and long-term service relationships.

VTX Group delivers portable pumping and power solutions through two integrated units: VTX Pumps and VTX Energy. With facilities in Broken Hill and Cobar, VTX is a key partner to Perilya, Essential Water, Central Darling Shire Council, and Olympic Dam, offering industry-leading generator solutions, dewatering systems, and emergency response capabilities.
