1 December 2025

Market Update – Completion of acquisition of WorkPac Group Pty Ltd

Tasmea Limited (ASX: TEA) ("Tasmea" or the **"Company")** is pleased to confirm that completion of the acquisition of WorkPac Group Pty Ltd (**"WorkPac")** has occurred.

The highly strategic acquisition of WorkPac is expected to provide a number of long-term benefits to Tasmea's specialist portfolio of trade skilled services businesses and its customers, as summarised below:

1. Labour market dynamics favour speed and scale to skilled workers

Demand for skilled labour in Australia is expected to exceed supply in the immediate future, as a direct consequence of committed investment in mining and resources, infrastructure, housing and defence sectors. WorkPac's industry leading access to the blue-collar labour pool will provide both WorkPac's customers and Tasmea's specialist subsidiaries with a clear competitive advantage. Specifically, WorkPac will strengthen Tasmea's ability to recruit at speed and scale to source and mobilise skilled workers for our customers. This capability will support Tasmea's subsidiaries' long-term organic growth objectives across their specialist trade skilled businesses.

2. WorkPac will be an independent segment with strong organic growth potential

WorkPac will operate as a separate segment within Tasmea and is expected to return organic EBIT growth of approximately 15% per annum, consistent with Tasmea's other subsidiaries. This is higher than WorkPac's recent earnings growth, which was constrained by industrial relations changes (including 'Same Job, Same Pay'), shareholder capital constraints and the diversion of management focus whilst pursuing IPO or sale processes. WorkPac has been pivotal in guiding its clients through the challenges created by the 'Same Job, Same Pay' legislation and no longer considers this to be an impediment to growth. Growth in the near term will also be supported by WorkPac recruiting specialist labour for Tasmea subsidiaries, and in the medium term as a direct consequence of committed investment in the mining and resources, infrastructure, housing, defence and aged care sectors.

3. Capital light and value accretive funding structure

The acquisition has been structured in a capital light, value accretive manner consistent with Tasmea's disciplined mergers and acquisitions framework.

Share consideration has been issued (including $27.5 million equity consideration through the issue of 5 million shares at $5.50 per share), a premium to the current share price. Cash consideration has settled, including the initial upfront completion cash payment of approximately $20.2 million. Tasmea's consolidated net debt position has reduced by approximately $10 million due to Tasmea securing a non-recourse, off-balance-sheet receivables purchase funding facility, under which the bank assumes the debtor payment risk.

The two annual earn-out cash consideration components of $5.25 million will be payable only if WorkPac delivers EBIT of $18.0 million per annum under Tasmea's ownership, reducing and ultimately eliminating if EBIT falls below $14.5 million. Based on this and the upfront capital of approximately $40 million, the acquisition represents an implied return on capital of circa 45% from day one.

4. Revenue synergies

WorkPac is expected to deliver significant revenue synergies which have **not** been included in the forecast maintainable EBIT of $18.0 million per annum.

WorkPac has been acquired to deliver revenue synergies. WorkPac operates 14 offices in regions where Tasmea does not currently have a presence and services more than 50 sites where Tasmea has no existing working relationships. These established relationships are expected to create opportunities for Tasmea's specialist subsidiaries to offer services directly. For clarity, Tasmea subsidiaries will continue to work directly for customers and will not deliver services through WorkPac.

Tasmea subsidiaries currently spend approximately $13 million per annum on labour hire at an estimated 18% margin. From early next calendar year, short-term labour requirements across Tasmea's subsidiaries will be progressively redirected to WorkPac, which will deliver the Group revenue synergies.

WorkPac recruits approximately 15,000 people per annum, whereas Tasmea subsidiaries collectively recruit approximately 400 people per annum. WorkPac's sophisticated database (1.5+ million candidates) and systems will enable Tasmea subsidiaries to recruit and onboard skilled employees faster and more efficiently. Furthermore, WorkPac's inclusion in the Tasmea Group of companies will give customers confidence that Tasmea's specialist subsidiaries can meet labour requirements for large, complex shutdowns and projects. This strengthens Tasmea's ability to pursue opportunities requiring rapid mobilisation at scale.

5. Cost synergies that strengthen the Group

From a business systems perspective, WorkPac which employs 6,000 persons are more mature and sophisticated than any individual Tasmea subsidiary. Tasmea Corporate Services expects to leverage WorkPac's back-office systems and processes to strengthen group-wide systems, efficiency, scalability and reduce costs.

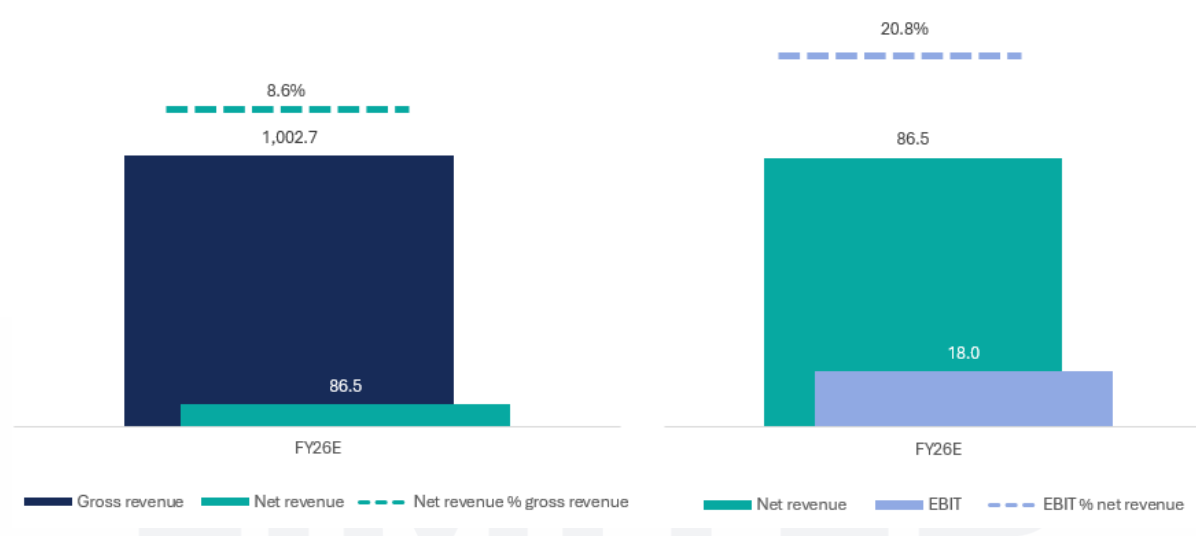
WorkPac operates in 14 locations where a Tasmea subsidiary also has a presence. We expect to realise cost synergies over the next 12-24 months from property rationalisation in shared locations, consolidating recruitment capability and procurement advantages through increased scale.

To illustrate, as a sensitivity, for each $1 million in pre-tax synergies realised equates to a further approximately 1% EPS accretion.

6. Revenue and profitability

WorkPac has a stable revenue base with high levels of repeat customers under Master Services Agreements ("MSAs") with more than 15 material MSAs added to Tasmea's portfolio. WorkPac gross revenue is not reflective of underlying economic activity as it comprises pass-through wages paid to employees who are managed and directed (labour-hired) by WorkPac's customers. Tasmea considers WorkPac's net revenue and resultant EBIT margin to be reflective of the commercial size of the business and therefore views the business on a net revenue margin basis from a revenue perspective, with FY26 forecast EBIT margin of approximately 20.8% as illustrated in Figure 1 below.

Figure 1: WorkPac Forecast FY26 Revenue and EBIT



In summary, the Board considers the strategically compelling acquisition of WorkPac to be immediately value accretive and, importantly, expects that the revenue and cost synergies available to Tasmea will support and enhance group earnings for many years to come.

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

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About Tasmea Limited:

Tasmea owns and operates 26 inter-dependent leading Australian diversified specialist trade skill services businesses focused on essential shutdown, programmed maintenance, emergency breakdown, brownfield upgrade services of fixed plant and labour hire for our blue-chip essential asset owner customer base. Tasmea provides outsourced specialist maintenance and labour hire 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, retail, waste, water and aged care.