

TASMEA LIMITED

Annual Report 2025

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Contents

FY25 Highlights	02
Chairman's Letter	10
Managing Director's Report	12
Financial Highlights	17
Shareholder Information	122
Corporate Directory	124



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Our Purpose

Driven by the principle of **"Delivering Value. Always!"** our core values serve as the foundation for the company culture and guide decision-making, and interactions with customers, employees, and partners across the entire group.

Our Values

People

People are our greatest asset. We employ a diversely expert workforce and advocate for learning through development. We foster a teamwork culture to empower and encourage accountability and respect.

Safety

Safety first in everything we do. As an organisation we are committed to disciplined implementation of highest safety protocols. As individuals, we are accountable for our own safety and those around us.

Exceptional Skill

Our teams are skilled and experienced, forward thinking solution providers utilising niche sector knowledge to expertly fulfil client needs.

Exemplary Service

We listen to understand and commit to deliver a wholesome customer experience by assigning actionable urgency.

Care

Imperative to our outcome focused operations is maintaining a human perspective. We build strong working relationships by demonstrating care in every interaction.

Common Systems

We are committed to innovative improvement in systems and processes that lead to accurate and fluent reporting, crucial for internal and external operations.

FY25 Highlights

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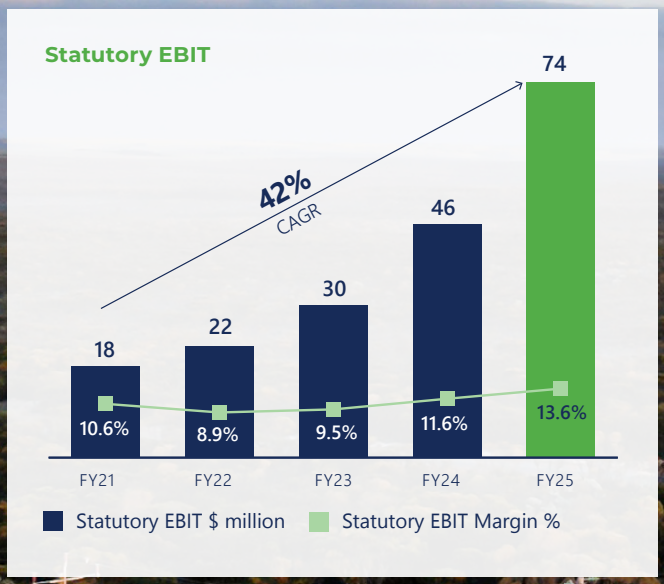

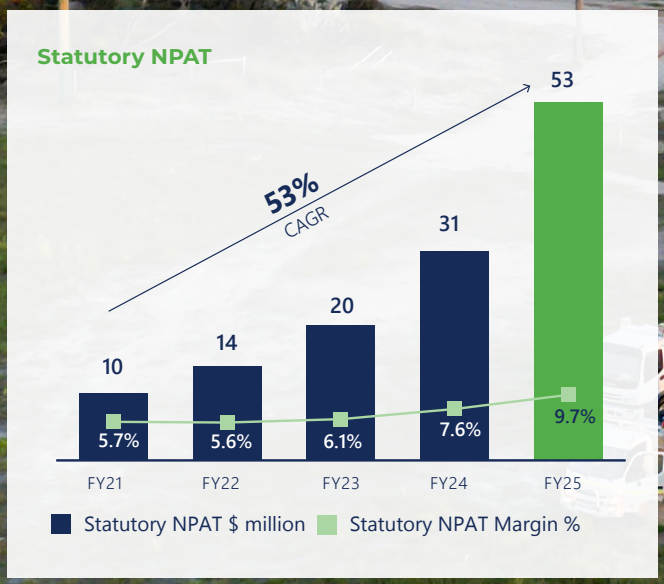

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Statutory Revenue

$547.9m

▲ 37%

Statutory EBIT

$74.4m

▲ 60%

Statutory NPAT

$53.1m

▲ 74%

EBIT Margin

13.6%

▲ +200bps YoY

EPS (Statutory)

23.2cps

▲ 53%

Fully Franked FY25 Dividends

23.0cps

Including special dividend of 12.0c

Our Businesses

Tasmea comprises 25 integrated specialised trade skills businesses, working collectively, providing maintenance, sustainable capital and specialised project services to essential asset owners.

Our subsidiaries remain strongly founder led with 14 founders and three continuing executive employees remaining in the business since being acquired by Tasmea.

Tasmea executive management and chief executives hold over 60% of Tasmea securities and deeply care about performance. Strategically aligned senior management team with more than 100 employees identified to participate in long-term incentive plans.

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Electrical

- Tasman Power
- ICE Engineering & Construction
- Corfield's Electrical
- Sigma Power Services
- Tasman Asset Management Services
- Future Engineering & Communication
- Future Power
- Vertex

Mechanical

- Tasman Rope Access
- Nobles
- Heavymech
- QMM
- Forefront
- GMS
- Rollwell Engineering

Civil

- NWMC
- M&B Civil
- Dingo Concrete Services
- Flanco

Water & Fluid

- Fabtech
- AusPress
- West Coast Lining Systems
- Laptek Systems
- Technical Lubrication Services
- VTX Group

Yura Yarta

Yura Yarta is a registered supply nation business in which Tasmea has a 49% shareholding.

Our Strategy

We remain focused on executing our twin-pillar strategy.

Organic Growth

15% YoY growth target	Deep, recurring customer relationships	Service expansion and cross-selling	Geographic and industry expansion	Strong financial discipline
Supported by disciplined execution.	Secured through MSAs/FMAs and long-term partnerships.	Leveraging our subsidiaries to deliver more services to existing customers.	Scaling into new locations, sectors, and emerging technologies.	Focus on margins, robust cash conversion, low capital intensity.

Programmatic Acquisitions

Disciplined, selective approach	Focus on maintenance leaders	Complementary services, industry tailwinds	Remote area, owner-operator led	Proven value creation model
Targeting specialist businesses with clear growth potential and strong cultural fit.	Typically #1 or #2 operators, founder-led, high recurring revenue bases.	Expand our specialist capability, enable cross-selling to our customer base in key growth industries.	Owner-operator led, in remote locations, expanding into new geographies.	Leveraging lessons learnt from 20+ years of successful acquisitions and integration capability.



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At a Glance

Scale and People

1,800+

Employees

Delivering essential services nationwide

>70

Master Service Agreements and Facilities Management Agreements

Across blue-chip customers

25

Specialist subsidiaries

Integrated under Tasmea

National footprint

Operations in WA, SA, NSW, VIC, QLD

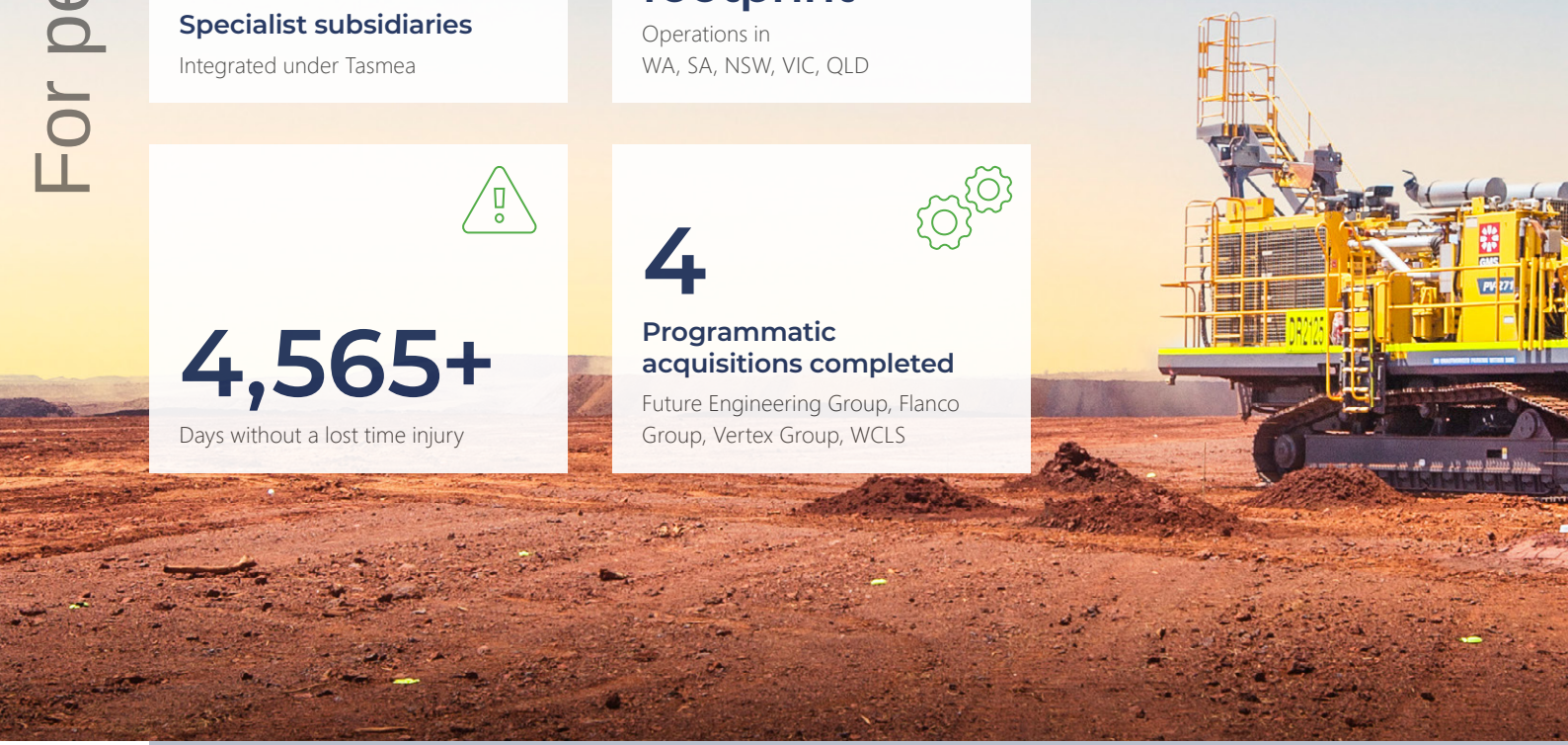
4,565+

Days without a lost time injury

4

Programmatic acquisitions completed

Future Engineering Group, Flanco Group, Vertex Group, WCLS



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Business Model and Markets

94%

of revenue from repeat customers

Under long-term agreements

~80%

of revenue from maintenance and brownfield upgrades

Providing resilience and predictability

Record $600m

Secured order book

Providing earnings visibility into FY26

End-market exposure

Mining & Resources, Power & Renewables (Electrification), Civil & Water Infrastructure, Defence & Infrastructure replacement, Remote Services

Valuation uplift

Cross-sell services via programmatic acquisition strategy

Leveraging market tailwinds

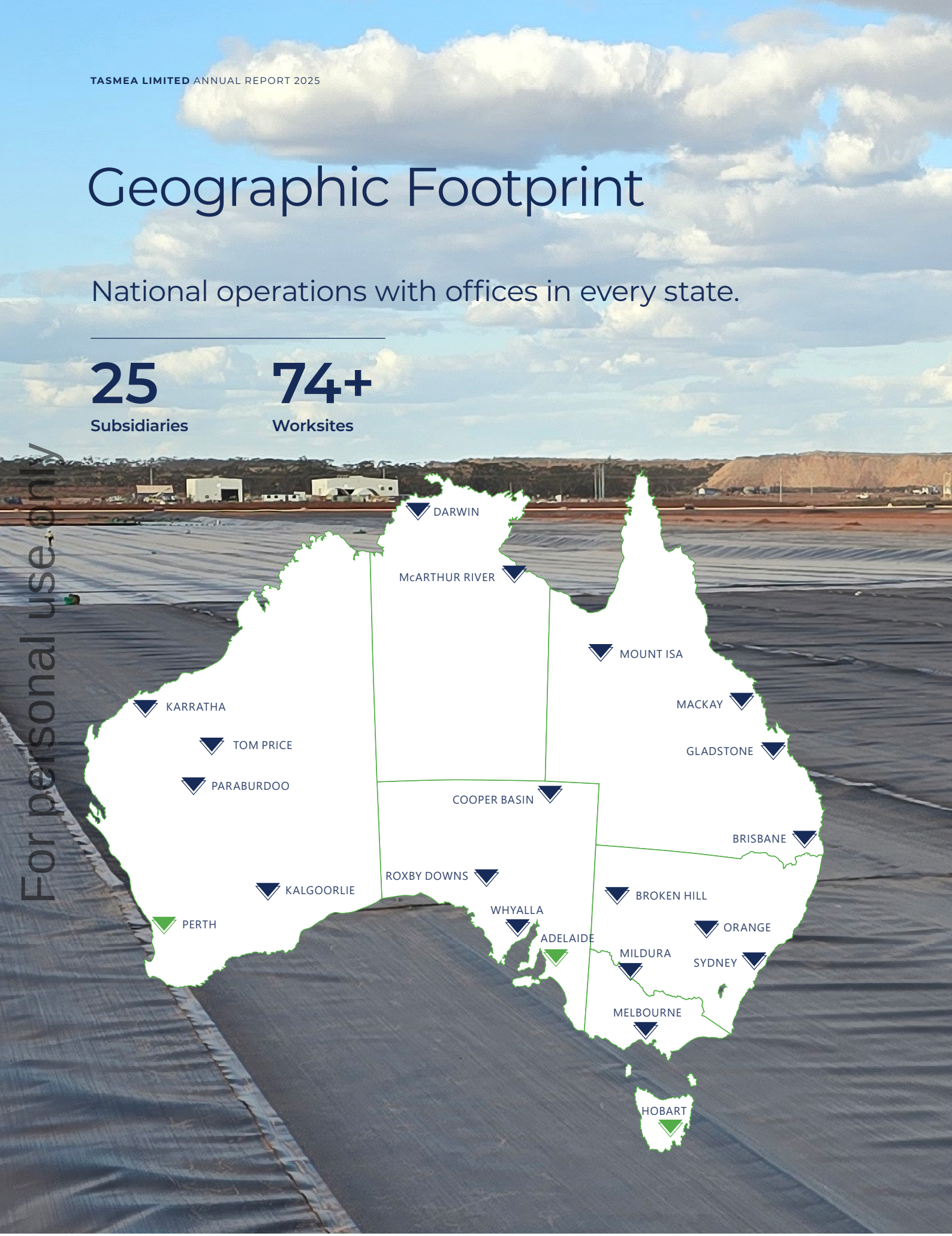
Benefiting from enduring growth trends.

Geographic Footprint

National operations with offices in every state.

25
Subsidiaries

74+
Worksites



CORPORATE OFFICES SUBSIDIARY BRANCHES

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KEY INDUSTRIES

- Mining and resources
- Waste and water
- Oil and gas
- Defence, infrastructure
- Power and renewables
- Telecom and retail

Chairman's Letter



Tasmea's founder-led culture and disciplined approach to growth have built a resilient business capable of delivering consistent value. Tasmea enters FY26 with confidence in our strategy and our people.

Dear Shareholders,

It is with pleasure that I present to you Tasmea Limited's Financial Report for the year ended 30 June 2025 (FY25). FY25 was a year of disciplined execution and significant progress against the strategy set by your Board. Tasmea delivered strong financial results, advanced our governance and incentive frameworks, and continued to build a safety-first culture, while laying firm foundations for sustainable, long-term growth.

Governance and Stewardship

The Board's role is to enhance and protect shareholder value by setting strategy, mitigating risk, building shareholder value and culture, and ensuring disciplined capital allocation.

In FY25, we completed four acquisitions, enhanced oversight of Health, Safety and Environment (HSE) and operational risk, and further aligned shareholder and employee interests through the implementation of a Long Term Incentive (LTI) Program, Option Incentive Plan and Employee Share Ownership Plans. These initiatives strengthen Tasmea's capacity to grow safely, sustainably and profitably.

Shareholder Value and Returns

Tasmea reported statutory revenue of $547.9 million, Earnings Before Interest and Tax (EBIT) of $74.4 million and Net Profit After Tax (NPAT) of $53.1 million, with EPS of 23.2 cents, demonstrating the resilience of our owner operator, recurring, specialist services model.

The Board declared a fully-franked final dividend of 6.0 cents per share, bringing total fully-franked dividends for FY25 to 23.0 cents per share, which included a special dividend of 12.0 cents per share. The Dividend Reinvestment Plan applies to the final dividend, with a record date of 1 October 2025 and payment date of 5 November 2025. This dividend reflects both our strong cash generation and our commitment to delivering consistent, sustainable returns to shareholders.

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Long Term Strategic Direction

Tasmea remains founder-led, with deep insider ownership and growing participation in long term incentive plans across our leadership team, creating alignment which we consider delivers a competitive strength.

We enter FY26 with a record secured and recurring work pipeline and clear priorities to achieve:

- compound organic growth through self-perform capability and cross-selling;
- pursue programmatic acquisitions to expand specialist capability; and
- maintain a disciplined balance sheet to preserve flexibility and resilience.

Confidence in Execution

With the strength of our diversified maintenance portfolio and disciplined operating model, we have provided guidance of delivering an FY26 EBIT of $110 million and NPAT of $70 million. Tasmea's founders and Executive Directors have invested more than $30 million since our Initial Public Offering, underlining their confidence in our strategy, our model, and the opportunities ahead.

On behalf of the Board, I thank our executive team, our 1,800+ employees, our customers and partners, and our shareholders for your trust and support. We look forward to discussing our progress at the FY25 Annual General Meeting.



Joe Totaro
Chairman, Tasmea Limited

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Managing Director's Report



Tasmea's disciplined execution, specialist capability and strong safety culture have delivered record performance and sustainable growth.
We enter FY26 with strong momentum, and well positioned to create long-term shareholder value.

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Dear Shareholders,

FY25 was a year of disciplined execution, strong safety performance, operational delivery, and ongoing strategic progress for Tasmea. We achieved record statutory results, expanded specialist capabilities through targeted programmatic acquisitions, deepened customer relationships under long-term agreements, and continued to invest in our people and safety culture, all while strengthening the platform for sustainable growth.

FY25 Financial Highlights

- **Statutory Revenue:** $547.9 million, up 37.0% on prior year.
- **Statutory EBIT:** $74.4 million, up 60.3% on prior year.
- **Statutory NPAT:** $53.1 million, up 74.1% on prior year.
- **Statutory EPS:** 23.2 cents per share, up 53% on prior year.

The Board declared fully franked dividends totalling 23.0 cents per share (cps) for FY25, comprising an interim dividend of 5.0 cps, a special dividend of 12.0 cps and a final dividend of 6.0 cps.

These dividends reflect both the strength of our cash generation and our commitment to delivering consistent, sustainable shareholder returns. The final dividend record date is 1 October 2025 and payment date is 5 November 2025. The Dividend Reinvestment Plan applies to the final dividend.

Performance Overview – Quality of Earnings

Tasmea's business model is anchored in essential maintenance and brownfield upgrade services delivered under long-term Master Service Agreements (MSAs) and Facilities Management Agreements (FMAs). In FY25, approximately 80% of Group revenue came from maintenance and brownfield work, with around 94% generated from repeat customers, providing a high degree of resilience and earnings visibility.

During the year, we increased both the number and diversity of MSAs and FMAs across multiple subsidiaries and sites, further reducing customer and project concentration risk.

Market conditions continue to improve across our core end markets, including electrification, infrastructure renewal, and remote maintenance of ageing fixed plant. These conditions, combined with Tasmea's owner-operator culture, specialist trade skills, extensive self-perform capability and cost discipline, enabled us to sustain margins well above our peers.

Executing Our Strategy – Organic Growth and Programmatic Acquisitions

In FY25, we advanced both organic growth initiatives and our programmatic acquisition strategy, each aimed at expanding specialist capability, increasing geographic reach and deepening customer relationships.

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On the organic growth front, we focused on Delivering Value – Always, cross-selling services across our portfolio, integrating complementary capabilities, and extending our national reach to capture more share-of-wallet from existing blue-chip customers.

On the acquisition front, we completed the following four targeted transactions, each selected for its ability to expand our specialist service offering, complement existing capabilities, and deliver immediate earnings contribution:

- **West Coast Lining Systems (WCLS)** – Acquired 1 August 2024, expanding our capabilities in geomembrane liners in Western Australia. WCLS is expected to contribute approximately $3.1 million in maintainable EBIT per annum.
- **Future Engineering Group** – Acquired 2 September 2024, scaling our footprint in power infrastructure and electrification. Future Engineering Group is expected to contribute approximately $21.5 million in maintainable EBIT per annum.
- **Flanco Group** – Acquired 1 April 2025, strengthening our concrete civil capability in WA. Flanco Group is expected to contribute approximately $10.2 million in maintainable EBIT per annum.
- **Vertex Group** – Acquired 1 June 2025, enhancing our high-voltage capability and portable power and pumping solutions. Vertex Group is expected to contribute approximately $2.5 million in maintainable EBIT per annum.

All acquisitions were structured with discipline, including contingent consideration aligned to performance and value creation. Integration is progressing to plan, with systems upgrades and alignment of operating rhythms underway to support scalability. These integrations are also unlocking revenue cross-sell opportunities across our 25 subsidiaries and driving margin improvements through greater self-perform capability.

Operational highlights

- **Electrical** – Revenue increased 66% year-on-year to $213 million, with Statutory EBIT up 135% from $14 million to $32 million, which represents 44% of Group EBIT. Margin expansion was driven by recent specialist acquisitions and greater self-perform capability, reducing reliance on subcontractors.
- **Mechanical** – Revenue grew 2% to $145 million, while Statutory EBIT fell 13% from $17 million to $15 million, with a slight margin decline. This was largely due to the cancellation of drill rig hire arrangements linked to nickel operations and the deferral of a drill rig sale to FY26. Margins are expected to recover modestly as these headwinds abate.



- **Civil** – Revenue increased 86% to $103 million, with Statutory EBIT up 68% from $10 million to $18 million. Strong organic growth was complemented by the acquisition of Flanco Group late in the year. We expect continued growth in FY26 from full-year Flanco contributions at similar margins.
- **Water & Fluid** – Revenue rose 17%, with EBIT increasing 43% from $6 million to $9 million. Growth was driven by both organic performance and the acquisitions of WCLS and VTX (part of the Vertex Group). Margins are expected to remain broadly stable, with modest revenue uplift from further integration of recent acquisitions.

People, Safety and Culture

Safety remains the highest priority across all Tasmea subsidiaries, underpinning operational reliability, our licence to operate, and our ability to win and retain customer contracts. A strong safety culture also supports talent retention and attraction. In FY25, we continued to invest in Health, Safety and Environment (HSE) systems, training, and leadership practices to ensure consistent performance across all sites. We strengthened alignment between employees and shareholders through a series of new equity-based initiatives:

- **Employee Share Ownership Plan** – 440 employees received shares, with a total of 154,806 shares issued under this plan;
- **Bonus Share Plan** – 283,505 shares awarded to employees to recognise exceptional contribution;

Managing Director's Report continued

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- **Employee Share Trust** – established to facilitate future equity participation; and
- **Long Term Incentive (LTI) Program** – launched with more than 100 senior employees participating, linked to EBIT and organic growth milestones. This plan will reward participating employees with a bonus equal to a percentage of their salary, paid in Tasmea Shares, provided Tasmea EBIT exceeds $110 million in FY27 and they grow their individual businesses by 15% compounding annual growth from their FY24 Budget.

In addition, an Option Incentive Plan was introduced, granting 3,000,000 options to an Executive Director, with performance conditions designed to further align leadership rewards with shareholder value creation. Tasmea's founders and Executive Directors have also reinvested over $30 million since the IPO, reinforcing their long-term commitment to the company's strategy and growth.

Risk and Opportunities

Tasmea's growth and performance are underpinned by disciplined risk and capital management and the ability to capitalise on emerging opportunities in our core markets.

Key risks managed by the Board and management include safety performance, quality, retention of key leaders, customer concentration, and labour availability. Our risk mitigation practices are underpinned by proven HSE focus, operating standards, attractive long-term incentives for executive management driving shareholder-alignment, diversification of work across our 25 subsidiaries under our increasing number of MSA's and FMA's across many customers, sites and sectors including essential industries.

We have and continue to experience strong secular tailwinds, across electrification, infrastructure replacement and ageing fixed plant, supporting multi-year demand for Tasmea's specialist services, with the depth of our portfolio's self-perform capability helping sustain our high margins relative to peers.

Rising production outlook across key commodities

Australian production volumes are forecast to rise across key commodities including iron ore, copper and gold (according to forecast data by IBIS World and the Australian Government Department of Industry Science and Resources). Our portfolio remains strategically positioned to capture growth in FY26 and beyond, driven by:

- High utilisation of ageing fixed plant which leads to ongoing maintenance, shutdowns, emergency repairs, life-extensions and brownfield upgrades across crushing, conveying, milling and process circuits;
- Decarbonisation and automation activities by our clients across industries is driving an increase in microgrids, renewables integration, and plant automation, leading to more specialist electrical upgrades and maintenance requirements; and
- Increasing weather volatility is driving more resilience upgrades and rapid response programs in order to reduce client downtime.

Electrification Tailwinds

The grid transition underway will create a sustained delivery demand, with increased requirements for electricity transmission, distribution and storage infrastructure (according to forecast data by the Australian Energy Market Operator). We are seeing increased demand for our specialist electrical services (FY25 electrical segment revenue increased 65% year on year, with a strong FY26 pipeline and visibility).

- We are well positioned to capture significant growth from electrification tailwinds with our expertise in delivering end-to-end electrical and instrumentation solutions, from design and engineering through to commissioning, maintenance, and decommissioning of power and communication infrastructure, from lines to substations. We are uniquely positioned to deliver expert solutions for shutdowns, turnarounds, outages, maintenance and project needs; and
- Our expertise enables us to provide specialist services, including supply and installation of transmission and distribution lines (11 kV to 330 kV) including residential, industrial and remote grid-to-mine site upgrades, substations, transformers switchboards, communication structures, back-up power generation and UPS systems.

Revenue Pipeline Remains Strong

At the start of FY26, Tasmea's secured and recurring work totalled approximately $600 million, up from $465 million a year earlier. This increase reflects the expansion of our Master Service Agreements (MSAs) and Facilities Management Agreements (FMAs), which provide multi-year revenue visibility and help underpin earnings stability.

Our long-term customer retention is driven by a strong safety culture, consistent delivery performance, deep relationships, and a track record of contract renewals. These factors continue to underpin our high proportion of recurring revenue and our ability to expand share-of-wallet with existing clients.

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FY26 Earnings Guidance

Following the FY26 budget process and the expected full-year contribution from our FY25 acquisitions, we reaffirm guidance for:

- EBIT of $110 million; and
- NPAT of $70 million.

This outlook places us one year ahead of our FY27 Long Term Incentive EBIT target and is supported by:

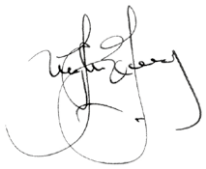
- A record order book of secured and recurring work;
- Continued organic growth from cross-selling and service integration across our subsidiaries;
- Disciplined capital management, with a scalable, capital-light operating model; and
- A strong balance sheet, with pro forma net leverage at 30 June 2025 of 1.0x.

We remain focused on safety, operational delivery, and disciplined growth, both organically and through programmatic acquisitions that fill strategic capability gaps.

Closing Remarks

Our statutory EBIT has grown at a compound annual growth rate of 43% over the last five years. We are understandably proud of our achievements which are the result of the exceptional effort, dedication and skill of our people. I want to thank our 1,800+ employees, including more than 450 employee shareholders, for their commitment to delivering exceptional outcomes for our customers. I also thank our customers and partners for their trust, and you, our shareholders, for your ongoing support and confidence in Tasmea.

We enter FY26 with strong momentum, a record secured work pipeline, and a clear strategy to create sustainable long term shareholder value. I look forward to updating you on our progress in the year ahead.



Stephen Young
Managing Director, Tasmea Limited



Financial Report



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Financial Highlights

30 June 2025

Summary of Five Year Annual Financial Results

		2021	2022	2023	2024	2025
Pro-forma Revenue[1]	$M	215.1	293.4	367.2	407.4	620.8
Pro-forma EBIT[1, 2]	$M	29.8	34.7	43.1	54.8	93.2
Pro-forma NPAT[1]	$M	18.2	23.2	28.4	36.9	62.5
Statutory Revenue[3]	$M	170.6	244.8	320.0	400.0	547.9
Statutory EBIT[2, 3]	$M	18.1	21.9	30.3	46.4	74.4
Statutory NPAT[3]	$M	9.8	13.6	19.5	30.5	53.1
Operating Cash Flow, before interest and tax	$M	20.4	26.7	22.8	49.2	65.2
Earnings Per Share (EPS)	cents	5.0	7.0	10.0	15.2	23.2
Dividend per share (100% franked)	cents	2.0	2.5	3.5	6.5	23.0

1. Measurement and analysis of financial results excluding significant items and inclusion of notional full year results for mid-way acquisitions are considered to give a meaningful representation of like-for-like performance from ongoing operations ("Pro-forma"). Pro-forma earnings are a non-IFRS measure and are not audited. Pro-forma earnings for FY21 to FY23 were disclosed in Tasmea Limited's prospectus dated 28 March 2024, and were subject to review and signoff by Grant Thornton in their Investigating Accountants Report. A reconciliation of the FY24 and FY25 Pro-forma earnings to FY24 and FY25 Statutory earnings is provided below.
2. EBIT (Earnings Before Interest and Tax) is a non-IFRS measure.
3. Statutory results are prepared in accordance with the *Corporations Act 2001* and Accounting Standards and are audited.

The FY25 statutory net profit after income tax was $53.1 million, an increase of 74.1% from the prior year.

The key elements of the statutory results for the full year ended 30 June 2025 (FY25) compared with the full year ended 30 June 2024 (FY24) are summarised below:

- Revenue increased by 37.0% to $547.9 million;
- Gross margin up 40.2% to $159.8 million. Gross margin as a percentage of sales was 29.2% in FY25, up from 28.5% in FY24;
- Statutory profit after tax increased by 74.1% to $53.1 million; and
- Statutory earnings per share increased by 52.6% to 23.2 cents.

Dividends	Amount Per Share (Cents)	Franked Amount Per Share (Cents)
2025		
Interim Dividend	5.0	5.0
Special Dividend	12.0	12.0
Final Dividend	6.0	6.0
2024		
Interim Dividend	2.5	2.5
Final Dividend	4.0	4.0

On 24 August 2025, the Board declared a fully franked dividend of 6.0 cents bringing the full year fully franked dividend to 23.0 cents, inclusive of a fully paid special dividend of 12.0 cents (2024: 6.5 cents). Tasmea Limited's Dividend Reinvestment Plan will apply to the FY25 Final Dividend.

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Statutory and Pro-forma Results Comparison

The detailed comparison of statutory results to pro-forma results for FY25 and FY24, along with a reconciliation of statutory results to pro-forma results for FY25 and FY24, is shown in the table below.

$'millions	Statutory 30 June 2025	Statutory 30 June 2024	Change %	(a) Pro-Forma 30 June 2025	(b) Pro-Forma 30 June 2024	Change %
Revenue	547.9	400.0	37.0%	620.8	407.4	52.4%
Cost of sales	(388.1)	(286.0)	35.7%	(433.1)	(290.6)	49.0%
Gross margin	**159.8**	**114.0**	**40.2%**	**187.7**	**116.8**	**60.7%**
EBIT	**74.4**	**46.4**	**60.3%**	**93.2**	**54.8**	**70.1%**
Net finance costs	(8.3)	(5.2)	59.6%	(9.3)	(5.3)	75.5%
Net Profit before tax	**66.1**	**41.2**	**60.4%**	**83.9**	**49.5**	**69.5%**
Income tax expense	(13.0)	(10.7)	21.5%	(21.4)	(12.6)	69.8%
Net Profit after tax	**53.1**	**30.5**	**74.1%**	**62.5**	**36.9**	**69.4%**

(a) Pro-forma reconciliation

30 June 2025 $'millions	Statutory 30 June 2025	Derivative Fair Value Gains[1]	Bus Acq. & Integration Costs[2]	Share-Based Payments[3]	Deferred Tax Asset Recog-nition[4]	Non-recurring Expenses[5]	Pre-acquisition Earnings[6]	Pro-forma 30 June 2025
Revenue	547.9	–	–	–	–	–	72.9	620.8
Cost of sales	(388.1)	–	–	–	–	–	(45.0)	(433.1)
Gross margin	159.8	–	–	–	–	–	27.9	187.7
EBIT	**74.4**	**(6.9)**	**2.8**	**2.0**	**–**	**3.4**	**17.5**	**93.2**
Net finance costs	(8.3)	–	–	–	–	–	(1.0)	(9.3)
Profit before tax	**66.1**	**(6.9)**	**2.8**	**2.0**	**–**	**3.4**	**16.5**	**83.9**
Income tax expense	(13.0)	–	(0.7)	–	(1.8)	(1.0)	(4.9)	(21.4)
Net profit after tax	**53.1**	**(6.9)**	**2.1**	**2.0**	**(1.8)**	**2.4**	**11.6**	**62.5**

1. Non-recurring income from the revaluation of purchase price guarantee derivatives for FEG, Flanco and Vertex acquisitions as a direct result of our strong share price growth between purchasing these businesses and the end of financial year.
2. Business acquisition and integration costs from the execution and integration of FY24 and FY25 acquisitions, including due diligence, legal, integration resourcing and system alignment. Adjusted as non-recurring, incurred only at acquisition or transition, to provide a clearer view of sustainable performance.
3. Share-based payments includes non-cash expenses from the initial implementation of the Employee Share Plans approved at the FY24 AGM. Adjusted as this is the first year of the plan, and there is no comparable FY24 charge.
4. Includes one-off recognition of a deferred tax asset on carried forward losses, brought to account as utilisation is now virtually certain given Tasmea's profitability. Excluded from underlying results as non-recurring, will be utilised in future financial years.
5. Includes one-off items such as restructuring costs (mainly redundancies in mechanical segment linked to the Whyalla/Liberty Onesteel administration), merger costs of subsidiaries, and debtor provisioning outside normal trading. Excluded as non-recurring and not representative of ongoing performance, ensuring results reflect core trading and remain comparable across periods.
6. Pre-acquisition earnings related to FY25 business acquisitions, presented as if the acquisitions had occurred on 1 July 2024: WCLS, Future Engineering Group, Flanco Group and Vertex Group.

(b) Pro-forma reconciliation

30 June 2024 $'millions	Statutory 30 June 2024	Pre-acquisition Earnings[7]	Non-recurring IPO Costs[8]	Business Acquisition & Integration Costs[9]	Pro-forma 30 June 2024
Revenue	400.0	7.4	–	–	407.4
Cost of sales	(286.0)	(4.6)	–	–	(290.6)
Gross margin	114.0	2.8	–	–	116.8
EBIT	**46.4**	**1.6**	**4.8**	**2.0**	**54.8**
Net finance costs	(5.2)	–	–	–	(5.3)
Profit before tax	**41.2**	**1.6**	**4.7**	**2.0**	**49.5**
Income tax expense	(10.7)	(0.5)	(1.4)	–	(12.6)
Net profit after tax	**30.5**	**1.1**	**3.3**	**2.0**	**36.9**

7. Add pre-acquisition earnings from ForeFront Services for the period 1 July 2023 to 30 September 2023.
8. Add non-recurring costs incurred during the year in respect of the Initial Public Offer.
9. Add business acquisition expenditure related to the acquisition of Groundbreaking Mining Solutions, specifically the FY24 earnout recorded as employee remuneration as opposed to purchase consideration.

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Contents

Directors' Report	**21**
Auditor's Independence Declaration	**43**
Consolidated Statement of Profit or Loss and Other Comprehensive Income	**44**
Consolidated Statement of Financial Position	**45**
Consolidated Statement of Changes in Equity	**46**
Consolidated Statement of Changes in Equity	**47**
Consolidated Statement of Cash Flows	**48**
Notes to the Consolidated Financial Statements	**49**
Directors' Declaration	**115**
Independent Auditor's Report	**116**
Shareholder Information	**122**
Corporate Directory	**124**

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General Information

The financial statements cover Tasmea Limited as a Group consisting of Tasmea Limited and the entities it controlled at the end of, or during, the 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. Its registered office and principal place of business are:

Registered office

75 Verde Drive
Jandakot WA 6164

Principal places of business

Western Australia, South Australia, New South Wales, Victoria and Queensland

A description of the nature of the Group'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 August 2025. The directors have the power to amend and reissue the financial statements.

Directors' Report

30 June 2025

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as '**Tasmea**' or '**the 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 year ended 30 June 2025.

Directors

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

Name	Role	Status
Joe Totaro	Chair and Non-Executive Director	Independent
Stephen Young	Managing Director	
Michael Terlet	Non-Executive Director	Independent
Kristie Young	Non-Executive Director	Independent
Mark Vartuli	Executive Director	
Jason Pryde	Executive Director	
Trent Northover	Executive Director, appointed on 3 February 2025	

Information on Directors

Note: 'Other current directorships' quoted are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated; and 'Former directorships (last three years)' quoted are directorships held in the last three years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Mr Giuseppe (Joe) Totaro *B.Comm*

Chair & Non-Executive Director

Experience and expertise:	Joe is a Certified Practicing Accountant with more than 40 years' experience across commercial and public practice, with a particular focus on the mining and mining services sectors. He co-founded GR Engineering Services Limited (ASX:GNG), a leading global mineral processing design and construction company, which reported FY24 revenue exceeding $420.0 million. During his tenure as Chief Financial Officer and Company Secretary, Joe was instrumental in driving the company's growth and overseeing its corporate management and governance frameworks. Joe holds a Bachelor of Commerce from the University of Western Australia.
Other current directorships:	Joe is currently a Non-Executive Director on the board of GR Engineering Services Limited, appointed in 2019 (ASX:GNG).
Former directorships:	–
Member of:	Audit & Risk Committee
Interests in shares:	521,053 ordinary shares

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Directors' Report continued

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Mr Stephen Elliott Young *B. Ec, FCA, FAICD*

Managing Director

Experience and expertise:	Stephen Young is the Founder and Managing Director of Tasmea. Stephen has more than 45 years' experience involving large corporate advisory, corporate recovery, business turnaround, listed public and private board and advisory engagements. Stephen has been instrumental in driving Tasmea's strategy and growth over the past 24 years. Stephen was the Managing Partner of Arthur Andersen's Adelaide office from 1989 to 1997. Stephen was a member of the Arthur Andersen Worldwide Advisory Council and held several national and international leadership positions within the firm. Stephen has a Bachelor of Economics from the University of Adelaide, is a Fellow of the Institute of Chartered Accountants and the Institute of Company Directors. Stephen is the executive chair of all of Tasmea's subsidiaries. Stephen has been previously retained on a number of listed public company boards often in a "turnaround" capacity together with serving on boards of Government business enterprises, large private companies, sporting and charitable organisations.
Member of:	Audit & Risk Committee, Nomination & Remuneration Committee
Other current directorships:	–
Former directorships:	–
Interests in shares:	99,679,138 ordinary shares

Mr Michael John Terlet *AO, MBA FAIML, FAICD, JP(ret)*

Non-executive Director

Experience and expertise:	Michael joined the Tasmea Board in October 2007 as an Independent Non-Executive Director and held the role of the Independent Chair between 1 July 2018 and 21 September 2023. Michael has held a range of senior positions within the defence industry and was principally responsible for the formation and growth of Australia's largest private sector defence and aerospace company, AWA Defence Industries, from 1978 to 1992. In 1991, he was recognised and made an officer of the General Order of Australia for contributions to industry and export. Michael has over 50 years' experience in executive leadership and public and private board engagements including previous roles with ASX listed entities including SDS Corporation Ltd, Scantech Limited and International Wine Investment Fund. Michael has also served as Chair of United Water International Pty Ltd, Workcover, SA Centre for Manufacturing, Defence Manufacturing Council SA, South Australian Small Business Advisory Council, and International Centre of Excellence in Water Resources Management. Michael also held the position of President of the South Australian Employers Chamber of Commerce and Industry, the Engineering Employers Association and a director of Statewide Super. Michael recently retired as the Chair of Diversa Trustees Limited, Responsible Entity Partners and CCSL Limited. Michael is a Fellow of the Australian Institute of Company Directors, and a Fellow of the Australian Institute of Managers and Leaders.
Member of:	Audit & Risk Committee (Chair), Nomination & Remuneration Committee (Chair)
Other current directorships:	–
Former directorships:	–
Interests in shares:	547,290 ordinary shares

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Ms Kristie Peta Young *BEng(Mining)Hons, GDipEd(Maths,IT), CertIV(HR), FAICD, FAusIMM*

Non-executive Director

Experience and expertise:	Kristie has over 25 years' experience in industry with a focus on the resources sector. She is a technical mining engineer with strong experience across business development (BD) & growth including BD Director roles with both EY and PwC. Over 15 years' experience on boards and committees (ASX & NFP). She is a well-respected member of the resources and business community with strong connections across industry, academia, government, not for profits, consultants and service providers. Kristie holds a Bachelor of Engineering (Mining) Hons from the University of Queensland, Post Graduate Diploma of Education (Maths, IT) from the University of Western Australia, Cert IV Human Resources from the Australian HR Institute, is a Graduate and Fellow of the Australian Institute of Company Directors and a Fellow of the AusIMM.
Member of:	Nomination & Remuneration Committee
Other current directorships:	Kristie has current Non-Executive Director roles with Brazilian Rare Earths Ltd (ASX:BRE), Livium Ltd (ASX:LIT), and Corazon Mining Ltd (ASX:CZN).
Former directorships:	Tesoro Gold Limited (ASX:TSO), ChemX Materials Limited (ASX:CMX)
Interests in shares:	13,361 ordinary shares

Mr Mark Gabriel Vartuli *M. Comm, B.Comm, FCA*

Executive Director

Experience and expertise:	Mark is an Executive Director and a Founder of Tasmea and sits on the board of all of Tasmea's subsidiaries. Together with Stephen, Mark has been instrumental in driving strategy and growth for Tasmea. Mark has over 25 years' experience in providing commercial advice in relation to mergers and acquisitions and scaling-up businesses. Mark is a retained adviser to a number of leading Australian private companies. Prior to joining Tasmea, Mark held a number of roles with Arthur Andersen working in their Assurance and Business Advisory Division and as an Equity Partner in Equity & Advisory, a boutique corporate advisory firm. Mark holds a Masters in Commerce from the University of South Australia, a Bachelor of Commerce from the University of Adelaide, and is a Fellow of the Institute of Chartered Accountants.
Other current directorships:	–
Former directorships:	–
Interests in shares:	43,662,086 ordinary shares

Directors' Report continued

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Mr Jason Frank Pryde

Executive Director

Experience and expertise:	Jason is the Chief Operating Officer of Western Australian operations for Tasmea and was appointed to the Board in September 2021. Jason is also the founder and current chief executive officer of Tasman Power WA Pty Ltd and Tasman Rope Access Pty Ltd, two of Tasmea's largest Western Australian subsidiaries. Jason has been directly involved in the scaling up of Tasmea's Western Australian businesses and has successfully identified and embedded new subsidiaries into the group. Since establishing Tasman Power in 2007, Jason has established an impressive reputation across the Western Australian mining regions and has undertaken a number of directorships in private companies specialising in operational excellence and business sustainability. Jason is a trade qualified electrician.
Interests in options:	3,000,000 options over ordinary shares
Other current directorships:	–
Former directorships:	–
Interests in shares:	4,476,974 ordinary shares

Mr Trent Michael Northover *MBA*

Executive Director

Experience and expertise:	Mr Northover joined the Tasmea Limited Board as an Executive Director in February 2025 and is the Chief Operating Officer of Central and Eastern operations for Tasmea. Trent also serves as Chief Executive Officer of ICE Engineering and Construction, a Tasmea Group business. He brings over 15 years of experience in operations, contract management and executive leadership across the oil and gas, construction, and industrial services sectors. Prior to joining Tasmea, Trent held several senior leadership roles at KAEFER Integrated Services Pty Ltd, including Chief Operating Officer and Executive General Manager – Eastern Australia, where he was also a member of the Australian Executive Board. His career spans broad geographic and operational scopes, with previous commercial and project-focused roles at EDS Australasia, Thiess, ISG plc, and Project Coordination Australia. Trent holds a Master of Business Administration (MBA) from the University of Adelaide and an Advanced Diploma in Construction Management from the Master Builders Association.
Other current directorships:	–
Former directorships:	–
Interests in shares:	132,577 Ordinary Shares

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Company Secretary

Simone Thompson is the Chief Financial Officer and Company Secretary of Tasmea Limited. She holds a Bachelor of Commerce and a Bachelor of Laws from Flinders University and is a Fellow of Chartered Accountants Australia and New Zealand (FCA).

Meetings of Directors

The number of meetings of the Company's Board of Directors ('the Board') and of each Board Committee held during the year ended 30 June 2025, and the number of meetings attended by each director were:

	Tasmea Board		Nomination and Remuneration Committee		Audit and Risk Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended
Joe Totaro	12	12	–	–	3	3
Stephen Young	12	12	3	3	3	3
Michael Terlet	12	12	3	3	3	3
Kristie Young	12	12	3	3	–	–
Mark Vartuli	12	12	–	–	–	–
Jason Pryde	12	12	–	–	–	–
Trent Northover	6	6	–	–	–	–

Eligible: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Review of Operations

The profit for the Group after providing for income tax was $53.1 million (30 June 2024: $30.5 million). A full review of operations is included in the Managing Director's Report and Financial Highlights section.

Principal Activities

Tasmea owns 25 businesses which collectively provide specialist maintenance services including essential shutdown, programmed maintenance, emergency breakdown and sustaining capital upgrade services to asset and infrastructure owners of fixed plant operating in essential Australian industries.

Tasmea operates across the following four specialist technical capabilities:

- Electrical services;
- Mechanical services;
- Civil services; and
- Water & Fluid services.

Directors' Report continued

During the financial year the principal continuing activities of the Group consisted of the provision of specialist 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.

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the Group during the financial year.

Environmental Obligations

The Group's operations are subject to environmental regulations under both Commonwealth and State legislation in relation to its operating activities. Tasmea has adequate systems in place to manage its environmental obligations and is not aware of any breach of those environmental requirements as they apply to the Group.

Dividends

	Consolidated	
Dividends paid during the financial year were as follows:	**2025 $'000**	**2024 $'000**
FY24 Final dividend of 4.0 cents per ordinary share (2024: FY23 final dividend of 2.0 cents)	9,081	3,912
FY25 Interim dividend of 5.0 cents per ordinary share (2024: FY24 interim dividend of 2.5 cents)	11,505	5,444
FY25 Special dividend of 12.0 cents per ordinary share	28,275	–
	48,861	**9,356**

On 24 August 2025, the directors declared a fully franked final dividend of 6.0 cents per share, bringing the total fully franked dividend for the year to 23.0 cents per share, inclusive of a fully franked special dividend of 12.0 cents per share, reflecting the Group's strong financial performance.

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Share Options

The Company has established an Option Incentive Plan to retain and reward key employees in a manner aligned with the creation of shareholder wealth. Under the plan, options are issued for no consideration and may be subject to performance and service-based vesting conditions. Each option entitles the holder to acquire one fully paid ordinary share in Tasmea upon vesting and payment of the exercise price.

During the financial year, 3,000,000 options were granted to an Executive Director in three tranches, each exercisable at $1.56 per share, and subject to performance and service conditions:

- **Tranche 1** – 1,000,000 options expiring on 30 June 2028. Vesting requires Tasmea EBIT to exceed $110.0 million, Tasman Power EBIT to achieve 15% Compound Annual Growth Rate (CAGR), and continuation of employment;
- **Tranche 2** – 1,000,000 options expiring 30 June 2029. Vesting requires Tasmea EBIT to exceed $135.0 million, Tasman Power EBIT to achieve 15% CAGR, and continuation of employment; and
- **Tranche 3** – 1,000,000 options expiring 30 June 2029. Vesting requires Tasmea EBIT to exceed $160.0 million, Tasman Power EBIT to achieve 15% CAGR, and continuation of employment.

Options not exercised by their expiry date will lapse earlier in the event of cessation of employment or breach plan conditions.

Further details of these options, including accounting valuation and expense, are provided in note 33 to the financial statements.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the Group and the expected results of operations are included in the Managing Director's report.

Matters Subsequent to the End of the Financial Year

Issue of Shares

On 24 July 2025, Tasmea Limited issued an additional 75,809 ordinary shares, with a fair value of $216,055, to senior employees participating in the Bonus Share Plan.

Completion of Vertex Acquisition

On 24 July 2025, Tasmea Limited completed the acquisition of the Vertex Group, comprising Vertex Power & Process Pty Ltd and VTX Group Services Pty Ltd. The acquisition was funded through a $6.0 million drawdown on its Bank SA facility to fund the upfront cash payment to the vendors and the issue of 714,286 fully paid ordinary shares as part consideration to the vendors. Further details on the acquisition are provided in note 39.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Directors' Report continued

Risk Management

To deliver our strategy, Tasmea has risk management policies and procedures in place to provide early identification of business risks and to monitor the mitigation of those risks across all aspects of the business. Risk management is also integrated into key business decision-making activities, including strategic planning, investment decisions, financial risk management and project/change management.

The Board currently considers the main business risks to be as follows:

Workplace health and safety performance and obligations	Workplace health and safety performance is a critical element in the reputation of Tasmea and its subsidiaries. The Tasmea Group's ability to retain existing, and continue to be awarded new contracts in the industries it operates in is dependent upon its demonstrated record for safe work.
Quality of work and delivery	An important part of the Tasmea Group's business is its ability to add value to its customers by delivering exemplary services in a consistent and timely manner. Whilst each Tasmea subsidiary has a strong record of delivering and has systems and processes in place to ensure the continuation of these exemplary service standards, there is no guarantee that all Tasmea subsidiaries will always meet their customers' expectations as to the quality and timing of the work performed.
Retention of key management	The Tasmea Group's performance is influenced by the capabilities of its key leadership personnel and senior executives within each Tasmea subsidiary to effectively oversee its operations, foster growth, and address the requirements of its customers. The retention and engagement of these senior leaders and essential staff members play a pivotal role in managing customers and ensuring the smooth progress of ongoing customer interactions. Tasmea mitigates this risk by paying top quartile salaries, short term and long term incentive schemes.
Key project and customer risk	The Tasmea Group currently services a number of customers across Australia. Certain customers represent a significant portion of the Tasmea Group's revenue. However, this revenue is generated by multiple subsidiaries utilising over 35 MSAs and six FMAs. Furthermore, the revenue was generally generated from individual work orders originated in accordance with the MSAs over a diversified range of work sites.
Labour supply and costs	Tasmea's ability to deliver services depends on access to skilled labour. Strong demand across Australia and competition from other employers may limit the availability of qualified personnel, constraining Tasmea's capacity to meet customer requirements and support growth.
Project commencement delays	There is a possibility of delays in the commencement of any new projects due to delay in project pre-requisites for commencement not being met, material delivery, adverse weather events and resources mobilisation.
Downturn in key industries	The Tasmea Group specialises in outsourced maintenance services, emergency breakdown and sustaining capital upgrade services. Tasmea's financial performance and projected growth are directly linked to customer demand for outsourced maintenance, breakdown and upgrade services. A downturn in these industries, or shifts in customer strategies, could reduce outsourced work and negatively impact results.
Industrial relations risks	Some of the Tasmea Group's employees are under enterprise agreements and workplace agreements. The enterprise agreements and workplace agreements can each be for a term of up to four years. Effective management of enterprise and workplace agreements is vital to minimise the risk of labour disputes.
Capital and maintenance expenditure	The Tasmea Group requires adequate access to capital in order to finance the maintenance and upkeep of its current physical assets and equipment, as well as for potential future growth needs.

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Remuneration Report (Audited)

The Board of Directors of Tasmea Limited (Tasmea) presents its Remuneration Report for the reporting period of 1 July 2024 to 30 June 2025. This Remuneration Report forms part of the Directors' Report and has been audited in accordance with the *Corporations Act 2001*.

The Remuneration Report sets out the detailed remuneration arrangements for the Group's Non-Executive Directors, the Executive Directors and other key management personnel, in accordance with the requirements of the *Corporations Act 2001* and its Regulations.

Key Management Personnel covered in this report

Key Management Personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. For the remainder of this Remuneration 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.

The KMP of Tasmea Limited are:

Name	Role	Status
Non-Executive Directors		
Giuseppe (Joe) Totaro	Chair and Non-Executive Director, appointed 20 September 2023	Independent
Michael Terlet	Non-Executive Director	Independent
Kristie Young	Non-Executive Director, appointed 20 September 2023	Independent
Executive Directors		
Stephen Young	Managing Director	
Mark Vartuli	Executive Director	
Jason Pryde	Executive Director	
Trent Northover	Executive Director, appointed on 3 February 2025	
Senior Executives		
Simone Thompson	Chief Financial Officer and Company Secretary	

The Remuneration Report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration;
- Executive Director and Senior Executives employment arrangements;
- Key Management Personnel Remuneration;
- Additional disclosures relating to key management personnel; and
- Share-based compensation.

Directors' Report continued

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Principles used to determine the nature and amount of remuneration

The Board recognises that the performance of the Group depends to a large extent on the quality and motivation of Tasmea employees, including the Executive Directors and Senior Executives. Tasmea's remuneration strategy therefore seeks to appropriately attract, reward and retain employees at all levels in the organisation.

The Group's Remuneration Policy details the types of remuneration to be offered by the Group and factors to be considered by the Board, Nomination and Remuneration Committee, Executive Directors and Senior Executives in determining the appropriate remuneration strategy.

The key objectives of Tasmea's Remuneration Policy are:

- to create a transparent system of determining the appropriate level of remuneration throughout all levels of employees within the Group;
- to encourage employees to perform to their highest standard;
- to allow the Group to compete in each relevant employment market;
- to provide consistency in remuneration throughout the Group; and
- to align the performance of the business with the performance of employees within the Group.

With assistance from the Nomination and Remuneration Committee, the Board determines and approves remuneration arrangements for its Non-Executive Directors, Executive Directors, Senior Executives and Subsidiary Executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

In accordance with best practice corporate governance, the structure of Non-Executive Director, Executive Director and Senior Executive remuneration is separate.

Non-Executive Directors remuneration

The Group's policy is to remunerate Non-Executive Directors in a manner designed to attract and maintain high quality board members.

Tasmea's Constitution provides that, subject to the *Corporations Act 2001* and the ASX Listing Rules, Non-Executive Directors may be paid as remuneration for their services, a fixed sum not exceeding the aggregate maximum sum determined from time to time by Shareholders in a general meeting. This amount has been fixed by Tasmea's Shareholders at $750,000 per annum. The aggregate maximum sum may be divided amongst the Non-Executive Directors in such manner and proportion as the directors agree.

Non-Executive Directors receive a set fee (including superannuation) for their service and shall not be entitled to any options, bonus payments or retirement benefits. Non-Executive Directors may not be paid a commission on or a percentage of profits or operating revenue. The remuneration of Non-Executive Directors must be consistent with, and supportive of, maintaining the non-executive Director's independence.

All directors are also entitled to be paid reasonable accommodation and travelling expenses incurred as a consequence of their attendance at meetings of directors and otherwise in the execution of their duties as directors.

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Executive Directors and Senior Executives remuneration

The Group aims to reward Executive Directors and Senior Executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The remuneration and reward framework has five components:

Fixed remuneration	Fixed remuneration consists of base salary, superannuation and non-monetary benefits. Fixed remuneration is based on experience and expertise of the Executive Director or Senior Executive, individual performance, the overall performance of the Group and comparable market remunerations. Executive Directors and Senior Executives may receive their fixed remuneration in the form of cash or other fringe benefits where it does not create any additional costs to the Group and provides additional value to the employee. The fixed remuneration will reflect the core performance requirements and expectations of the Group.
Performance based remuneration	Performance based remuneration, also referred to as short-term incentives ('STI'), are designed to align the targets of the Group with the performance hurdles of Executive Directors and Senior Executives. Performance based remuneration is linked to specific performance targets which are disclosed to relevant employees. Employees have the discretion to convert all or a portion of their cash bonus into shares.
Equity based remuneration – long term incentive	Tasmea has established an Employee Incentive Plan, also referred to as long-term incentives ('LTI'), following shareholder approval at the 2024 Annual General Meeting. The LTI is designed to motivate Executive Directors and Senior Executives to pursue the long term growth and success of the Group. LTI awards are delivered in the form of performance rights that convert into fully paid ordinary shares at no cost upon vesting. Vesting occurs in tranches over three years (50% in FY28, 25% in FY29, and 25% in FY30), subject to satisfaction of set performance hurdles. If vesting conditions are not met by the required dates or the participant ceases employment, the performance rights may lapse.
Equity based remuneration – option incentive plan	Tasmea has established an Option Incentive Plan ('OIP') following shareholder approval at the 2024 Annual General Meeting to align the interests of key executives with those of shareholders and to incentivise performance over the long term. Under the Plan, options are granted with an exercise price and vest subject to the achievement of pre-defined Group and business-level earnings targets, as well as ongoing service conditions. Options convert into ordinary shares upon vesting and payment of the exercise price. The options are not quoted on the ASX, and no dividends or voting rights attach to the options prior to exercise. If vesting conditions are not met by the required dates or the participant ceases employment, the options may lapse.
Equity based remuneration – employee share ownership plan	Tasmea has established an Employee Share Ownership Plan (ESOP). Under the ESOP, eligible employees are offered $1,000 worth of fully paid ordinary shares in Tasmea Limited at no cost. All permanent full-time, part-time and long-term casual employees with more than three years of continuous service, are eligible to participate.
Termination payments	Employee contracts set out in advance the entitlement to payment upon termination of employment. The Nomination and Remuneration Committee and the Board must approve all termination payments provided to Executive Directors and Senior Executives to ensure such payments reflect the Group's remuneration policy.
Employee entitlements	The Group complies with all legal obligations in determining the appropriate entitlement to long service leave, annual leave and personal leave for Executive Directors and Senior Executives.

The combination of these components comprises the Executive Directors' and Senior Executives total remuneration.

The remuneration and reward framework described above is also applicable to certain subsidiary executives.

Directors' Report continued

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Consolidated entity performance and link to remuneration

The performance criteria and targets for Executive Directors and Senior Executives to realise benefits under both the Company's STI and LTI plans are aligned to company performance and enhancing shareholder value. The Remuneration and Nomination Committee considers both statutory and normalised results for the business in evaluating performance against key metrics.

The Remuneration and Nomination Committee is of the opinion that the continued improvement in results can be attributed in part to the adoption of performance-based compensation and is satisfied that this improvement will continue to increase shareholder value if maintained over the coming years. A summary of the normalised results for the Group is included in the Financial Highlights within the Annual Report.

The Executive Directors each hold significant shareholdings in the Company. As a result, the performance of the Group and the personal and financial interests of its executive and management team are aligned.

The following table provides a summary of the Group's statutory financial performance from FY21 to FY25:

	Statutory FY21 Result $'million	Statutory FY22 Result $'million	Statutory FY23 Result $'million	Statutory FY24 Result $'million	Statutory FY25 Result $'million
Revenue	170.6	244.8	320.0	400.0	547.9
Earnings before Interest and Tax	18.1	21.9	30.3	46.4	74.4
Net profit after tax	9.8	13.6	19.5	30.5	53.1
Earnings per share (cents)	5.0	7.0	9.9	15.2	23.2
Dividend per share, declared (cents)	2.0	2.5	3.5	6.5	23.0
Share price (dollars)[1]	N/A	N/A	N/A	$1.51	$3.70

1. Share Price available after 29 April 2024, when Tasmea was listed on the Australian Securities Exchange.

Executive Director and Senior Executives employment arrangements

Each Executive Director and Senior Executive has an employment contract specifying, among other things, remuneration arrangements, benefits, notice periods and other terms and conditions. The contracts provide that participation in the STI, LTI and OIP arrangements are at the Board's discretion.

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Stephen Young

Managing Director

Terms	Summary
Employer	Tasmea Corporate Services Pty Ltd
Fixed remuneration	$850,000 inclusive of superannuation and car allowance. Mr Young is entitled to a combined five weeks of annual and long service leave per annum which does not accrue from year to year.
Performance based remuneration (short-term incentive)	Mr Young is eligible to receive an annual cash-based short term incentive of up to $300,000 per annum payable quarterly. Payment is dependent on the Group's performance and Mr Young achieving certain key performance indicators as determined by the Board.
Notice period, termination and termination payments	Mr Young or Tasmea Corporate Services may terminate the agreement on 12 months' notice or, in Tasmea Corporate Services' case, payment in lieu of notice. Tasmea Corporate Services may also terminate the agreement with notice or payment in lieu of notice if Mr Young engages in serious misconduct.
Non-solicitation or restrictions on future activities	Mr Young's employment contract includes a restraint of trade period of 12 months following termination and a non-solicitation of the Group's customers, suppliers and employees for a period of 12 months following termination.

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Mark Vartuli

Executive Director

Terms	Summary
Employer	Tasmea Corporate Services Pty Ltd
Fixed remuneration	$850,000 inclusive of superannuation. Mr Vartuli is entitled to a combined five weeks of annual and long service leave per annum which does not accrue from year to year.
Performance based remuneration (short-term incentive)	Mr Vartuli is eligible to receive an annual cash-based short term incentive of up to $300,000 per annum payable quarterly. Payment is dependent on the Group's performance and Mr Vartuli achieving certain key performance indicators as determined by the Board.
Notice period, termination and termination payments	Mr Vartuli or Tasmea Corporate Services may terminate the agreement on 12 months' notice or, in Tasmea Corporate Services' case, payment in lieu of notice. Tasmea Corporate Services may also terminate the agreement with notice or payment in lieu of notice if Mr Vartuli engages in serious misconduct.
Non-solicitation or restrictions on future activities	Mr Vartuli's employment contract includes a restraint of trade period of 12 months following termination and also includes a non-solicitation of the Group's customers, suppliers and employees for a period of 12 months following termination.

Jason Pryde

Executive Director

Terms	Summary
Employer	Tasman Power WA Pty Ltd
Fixed remuneration	$850,000 inclusive of superannuation. Mr Pryde is entitled to a combined five weeks of annual and long service leave per annum which does not accrue from year to year.
Performance based remuneration (short-term incentive)	Mr Pryde is eligible to receive an annual bonus of up to $300,000 based on certain outperformance metrics approved by the Nomination & Remuneration Committee and Board.
Equity based remuneration (option incentive plan)	In FY25, Mr Pryde was granted 3,000,000 options in three tranches under Tasmea's Option Incentive Plan. Each tranche vests upon achieving specific EBIT milestones for both Tasmea Limited and Tasman Power WA Pty Ltd, as well as continued service over the vesting period. The expiry dates range from 31 October 2028 to 31 October 2029. The exercise price for each option is $1.56.
Equity based remuneration (employee share ownership plan)	Mr Pryde is entitled to participate in Tasmea's Employee Share Ownership Plan.
Notice period, termination and termination payments	Mr Pryde or Tasman Power may terminate the agreement on 12 months' notice or, in Tasman Power's case, payment in lieu of notice. Tasman Power may also terminate the agreement with notice or payment in lieu of notice if Mr Pryde engages in serious misconduct.
Non-solicitation or restrictions on future activities	Mr Pryde's employment contract includes a cascading restraint of trade by geography and non-solicitation undertaking of the Group's customers, suppliers and employees of up to 24 months following termination.

Directors' Report continued

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Trent Northover

Executive Director

Terms	Summary
Employer	Tasmea Corporate Services Pty Ltd
Fixed remuneration	$835,000 base salary inclusive of superannuation and car allowance.
Performance based remuneration (short-term incentive)	Mr Northover is eligible to receive an annual bonus of up to $300,000 based on certain outperformance metrics approved by the Nomination & Remuneration Committee and Board.
Equity based remuneration (long-term incentive)	Mr Northover is eligible to participate in Tasmea's Employee Incentive Plan.
Notice period, termination and termination payments	Mr Northover or Tasmea Corporate Services may terminate the agreement on six months' notice or, in Tasmea Corporate Services case, payment in lieu of notice. Tasmea Corporate Services may also terminate the agreement with notice or payment in lieu of notice if Mr Northover engages in serious misconduct.
Non-solicitation or restrictions on future activities	Mr Northover's employment contract includes a cascading restraint of trade by geography and non-solicitation undertaking of the Group's customers, suppliers and employees of up to 24 months following termination.

Simone Thompson

Chief Financial Officer and Company Secretary

Terms	Summary
Employer	Tasmea Corporate Services Pty Ltd
Fixed remuneration	$334,500 inclusive of superannuation.
Performance based remuneration (short-term incentive)	Ms Thompson is eligible to receive an annual cash-based short term incentive of up to 10% of total remuneration per annum. Payment will depend on the Group's performance and Ms Thompson achieving certain key performance indicators as determined by the Nomination & Remuneration Committee and Board.
Equity based remuneration (long-term incentive)	Ms Thompson is eligible to participate in Tasmea's Employee Incentive Plan.
Equity based remuneration (employee share ownership plan)	Ms Thompson is eligible to participate in Tasmea's Employee Share Ownership Plan.
Notice period, termination and termination payments	Ms Thompson or Tasmea Corporate Services may terminate the agreement on three months' notice or, in Tasmea Corporate Services Limited's case, payment in lieu of notice. Tasmea Corporate Services may also terminate the agreement with notice or payment in lieu of notice if Ms Thompson engages in serious misconduct.
Non-solicitation or restrictions on future activities	Ms Thompson's employment contract includes a cascading restraint of trade by geography and non-solicitation undertaking of the Group's customers, suppliers and employees of up to 24 months following termination.

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Key Management Personnel Remuneration

The key management personnel of the Group are Joe Totaro (Chair and Non-executive Director), Michael Terlet (Non-executive Director), Kristie Young (Non-executive Director), Stephen Young (Managing Director), Mark Vartuli (Executive Director), Jason Pryde (Executive Director and Chief Operating Officer), Trent Northover (Executive Director) and Simone Thompson (Chief Financial Officer and Company Secretary).

Amounts of remuneration

Details of the remuneration of key management personnel of the Group are set out in the following tables.

	Short-Term Benefits			Post-Employment Benefits	Long-Term Benefits	Share-Based Payments	
2025	Cash Salary and Fees $	Cash Bonus $	Non-monetary[4] $	Super-annuation[4] $	Long Service Leave[2] $	Equity-settled $	Total $
Non-Executive Directors:							
Joe Totaro	179,372	–	–	20,628	–	–	200,000
Michael Terlet	91,324	–	–	10,502	–	1,000	102,826
Kristie Young	89,696	–	–	10,314	–	–	100,010
Executive Directors:							
Stephen Young[1, 2]	800,000	–	20,000	30,000	–	–	850,000
Mark Vartuli[1, 2]	820,000	–	–	30,000	–	–	850,000
Jason Pryde	754,640	60,631	–	22,483	–	126,000	963,754
Trent Northover[3]	376,628	–	17,120	15,000	–	295,000	703,748
Other KMP:							
Simone Thompson	294,654	50,000	–	30,000	8,674	17,725	401,053
	3,406,314	110,631	37,120	168,927	8,674	439,725	4,171,391

1. Mr Young and Mr Vartuli waived their entitlement to receive their bonus during the financial year.
2. Mr Young and Mr Vartuli contracts exclude the accrual of annual leave and long service leave.
3. Mr Northover commenced employment on 6 January 2025 and was appointed as a Director on 3 February 2025.

Directors' Report continued

	Short-Term Benefits			Post-Employment Benefits	Long-Term Benefits	Share-Based Payments	
2024	**Cash Salary and Fees $**	**Cash Bonus $**	**Non-monetary[4] $**	**Super-annuation[4] $**	**Long Service Leave[2] $**	**Equity-settled $**	**Total $**
Non-Executive Directors:							
Joe Totaro[1]	139,940	–	–	15,393	–	–	155,333
Michael Terlet	91,324	–	–	10,045	–	–	101,369
Kristie Young[1]	69,970	–	–	7,697	–	–	77,667
Executive Directors:							
Stephen Young[4, 5]	816,709	–	20,000	27,500	–	–	864,209
Mark Vartuli[4, 5]	844,934	–	–	27,500	–	–	872,434
Jason Pryde[2]	493,124	191,250	–	54,244	14,237	–	752,855
Other KMP:							
Simone Thompson	260,000	25,783	–	27,500	30,099	–	343,382
	2,716,001	217,033	20,000	169,879	44,336	–	3,167,249

1. Appointed on 20 September 2023.
2. Mr Pryde received a cash bonus for exceeding business performance metrics.
3. No share-based payments were made during the year.
4. Mr Young and Mr Vartuli contracts exclude the accrual of annual leave and long service leave.
5. Mr Young and Mr Vartuli waived their entitlement to receive their bonus during the financial year.

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Additional disclosures relating to key management personnel

KMP Shareholding

The number of shares in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the Start of the Year	Received as Part of Remuneration	Additions (Purchase, DRP)	Disposals/ Selldown	Balance at the End of the Year
Ordinary shares					
Non-Executive Directors:					
Joe Totaro[1]	500,000	–	21,053	–	521,053
Michael Terlet[2]	546,935	355	–	–	547,290
Kristie Young[3]	12,821	–	540	–	13,361
Executive Directors:					
Stephen Young[4]	92,325,802	–	7,353,336	–	99,679,138
Mark Vartuli[5]	40,763,836	–	2,898,250	–	43,662,086
Jason Pryde[6]	4,157,194	43,625	276,155	–	4,476,974
Trent Northover[7]	–	100,000	6,261	–	106,261
Other KMP:					
Simone Thompson[8]	232,199	7,359	165,748	–	405,306
	138,538,787	151,339	10,721,343	–	149,411,469

1. Mr Totaro participated in the Dividend Reinvestment Plan (DRP) for the FY25 Special Dividend.
2. Mr Terlet received an allocation of shares under the Employee Share Ownership Program.
3. Ms Young participated in the DRP for the FY25 Special Dividend.
4. Mr Young made on market purchases, and participated in the DRP.
5. Mr Vartuli participated in the DRP.
6. Mr Pryde received an allocation of shares under the Employee Share Ownership Program, Bonus Share Scheme (STI), and participated in the DRP.
7. Mr Northover received an allocation of shares under the Bonus Share Scheme (STI) and participated in the DRP.
8. Ms Thompson made on market purchases, received an allocation of shares under the Employee Share Ownership Program, Bonus Share Scheme (STI), and participated in the DRP.

Other transactions with key management personnel and their related parties

Regent Street Pty Ltd (Regent Street) is an associated entity of Stephen Young and Mark Vartuli. Equity & Advisory Limited is an associated entity of Stephen Young, Mark Vartuli and Simone Thompson. The following related party transactions with these entities occurred during the year ended 30 June 2025. The terms and conditions of the transactions and the associated agreements to which they relate are at arm's length and on normal commercial terms.

(i) Regent Street – Northfield premises

Regent Street entered into a five-year lease with Heavymech Pty Ltd for the Northfield premises, commencing 15 February 2020 at $10,500 per month (plus GST). Upon expiry, a six-month lease was entered into from 15 February 2025 at $13,106 per month (exclusive of GST), with rolling six-month renewal options until termination on Heavymech's relocation to the Edinburgh Park premises.

Directors' Report continued

(ii) Regent Street – Mt Isa premises

Regent Street entered into a five-year lease agreement with Heavymech Pty Ltd for the Mount Isa premises, commencing 1 August 2022 at $5,955 per month (excluding GST), expiring 31 July 2027.

(iii) Regent Street – Edinburgh Park premises

Regent Street has lease agreements with several Tasmea subsidiaries for its property at Kaurna Avenue, Edinburgh Park, as follows:

- **Heavymech Pty Ltd** – Bay 1, 5,000 sqm hard stand, desks and offices in shared office space, and carparks, at $19,549.17 per month, effective from 1 April 2023. Lease commenced 1 April 2023 for nine months, with a six-month renewal option thereafter unless terminated under the lease terms. The lease was renewed at the end of the initial term.
- **Fabtech Australia Pty Ltd** – Bay 2, 1,000 sqm hard stand, desks in shared office space, and carparks, at $17,274.58 per month. Lease commenced 1 March 2023 for nine months, with a six-month renewal option thereafter unless terminated under the lease terms. The lease was renewed at the end of the initial term.
- **Quarry & Mining Manufacture Pty Ltd** – Bay 3, desks and offices in shared office space, 5,000 sqm hard stand, and 20 carparks, at $22,988.96 per month. Lease commenced 1 February 2023 for nine months, with a six-month renewal option thereafter unless terminated under the lease terms. The lease was renewed at the end of the initial term.
- **A. Noble & Son Pty Ltd** – 2,000 sqm in Bay 4, desks and offices in shared office space, carparks, and an outdoor shed, at $17,912.29 per month. Lease commenced 1 October 2022 for nine months, with a six-month renewal option thereafter unless terminated under the lease terms. The lease was renewed at the end of the initial term.

(iv) Shared Services Agreement between Tasmea Corporate Services and Equity & Advisory Limited

Tasmea Corporate Services Limited, a wholly owned subsidiary of Tasmea Limited, has a shared services agreement with Equity & Advisory Limited under which each party provides services to the other at agreed rates reflective of service delivery costs. The arrangement ensures full cost recovery so that neither party is unduly advantaged. Directors Stephen Young and Mark Vartuli, and Company Secretary Simone Thompson, are directors of Equity & Advisory Limited. SY & MV Pty Ltd, an entity associated with Messrs Young and Vartuli, holds 47.48% of Equity & Advisory Limited.

For the year ended 30 June 2025, Tasmea Corporate Services invoiced Equity & Advisory $239,410 (excluding GST) under the agreement, including approximately $12,000 per month for services and additional recharged costs.

Equity & Advisory also acted as corporate adviser to Tasmea Limited in relation to corporate advisory and business acquisitions, invoicing Tasmea Corporate Services $379,618 (excluding GST) during the year.

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(v) Sale of property

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 remains pending approval from a local government authority. Accordingly, the asset is classified as held for sale at 30 June 2025.

Pryde Corporation Pty Ltd is an associated entity of Jason Pryde. The following related party transactions with this entity occurred during the year ended 30 June 2025. The terms and conditions of the transactions and the associated agreements to which they relate that have been set out are at arm's length and on normal commercial terms.

(vi) Pryde Corporation lease of Jandakot premises

Pryde Corporation Pty Ltd entered into a five year lease agreement with Tasman Power WA Pty Ltd to lease the Jandakot premises from 6 June 2021 for $18,000 per month, increasing by 4.0% per annum.

GR Engineering Limited (ASX:GNG) is an associated entity of Joe Totaro. The following related party transactions with this entity are disclosed from 1 April 2025, being the date the Group acquired Flanco Civil Pty Ltd and Flanco Kalgoorlie Pty Ltd, and 30 June 2025. All transactions and associated agreements were conducted on an arm's length basis and on normal commercial terms.

(vii) Transactions with GR Engineering Limited

During the period from 1 April 2025 to 30 June 2025, Flanco Civil Pty Ltd and Flanco Kalgoorlie Pty Ltd provided civil engineering services to GR Engineering Limited. Sales revenue of $5,077,117 (inclusive of GST) was invoiced, and $4,813,945 was receivable at 30 June 2025.

Share-based compensation

Issue of shares

Details of shares issued to directors and other key management personnel as Performance Based Compensation under the Bonus Share Plan (STI) during the year ended 30 June 2025 are set out below:

Name	Grant Date	Shares	Issue Price	$
Jason Pryde	27 December 2024	16,954	$2.95	50,000
Simone Thompson	27 December 2024	1,135	$2.95	3,345
Trent Northover	23 January 2025	100,000	$2.95	295,000
Jason Pryde	27 June 2025	26,316	$2.85	75,000
Simone Thompson	27 June 2025	5,869	$2.85	16,725

Directors' Report continued

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Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of Options	Grant Date	Performance Hurdles	Expiry Date	Exercise Price	Fair Value per Option at Grant Date
Jason Pryde	1,000,000	20/11/2024	(1) Tasmea EBIT increases to $110.0 million; (2) Tasman Power EBIT achieves 15% CAGR; (3) J Pryde holds an executive role at Tasmea.	30/06/2028	$1.56	$1.72
Jason Pryde	1,000,000	20/11/2024	(1) Tasmea EBIT increases to $135.0 million; (2) Tasman Power EBIT achieves 15% CAGR; (3) J Pryde holds an executive role at Tasmea.	30/06/2029	$1.56	$1.75
Jason Pryde	1,000,000	20/11/2024	(1) Tasmea EBIT increases to $160.0 million; (2) Tasman Power EBIT achieves 15% CAGR; (3) J Pryde holds an executive role at Tasmea.	30/06/2029	$1.56	$1.75

Options granted carry no dividend or voting rights.

Performance rights

There were no performance rights over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2025.

This concludes the remuneration report, which has been audited.

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Indemnity and Insurance of Officers

The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and Insurance of Auditor

To the extent permitted by law and excluding circumstances of negligence, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on Behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Non-audit Services

During the financial year, the Company's external auditor changed from Grant Thornton Audit Pty Ltd to Ernst & Young (EY). No non-audit services were provided by EY during the year.

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.

Officers of the Company who are Former Partners of Ernst & Young

There are no officers of the Company who are former partners of Ernst & Young.

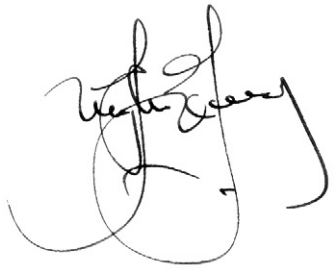
Directors' Report continued

Rounding of Amounts

The Company is of a kind referred to in *ASIC Corporations (Rounding in Financial/Director's Reports) Instrument 2016/191*, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. In accordance with that Legislative Instrument, amounts in the financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the directors



Stephen E Young
Managing Director



Mark G Vartuli
Executive Director

24 August 2025

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Auditor's Independence Declaration

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Auditor's Independence Declaration to the Directors of Tasmea Limited

As lead auditor for the audit of the financial report of Tasmea Limited for the financial year ended 30 June 2025, 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 audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Tasmea Limited and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

David Sanders
Partner
Adelaide
24 August 2025

A member firm of Ernst & Young Global Limited
Liability limited by a scheme approved under Professional Standards Legislation

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2025

	Note	Consolidated 2025 $'000	Consolidated 2024 $'000
Revenue			
Revenue from Contracts with Customers	5	547,914	400,005
Cost of sales	6	(388,116)	(285,995)
Gross profit		**159,798**	**114,010**
Other income	7	9,474	3,125
Expenses			
Administrative expenses	8	(76,250)	(53,417)
Depreciation and amortisation expense	9	(15,505)	(10,544)
Other expenses	10	(3,114)	(6,759)
Operating profit before finance costs		**74,403**	**46,415**
Finance costs	11	(8,274)	(5,237)
Profit before income tax expense		**66,129**	**41,178**
Income tax expense	13	(12,998)	(10,704)
Profit after income tax expense for the year		**53,131**	**30,474**
Other comprehensive income for the year, net of tax		–	–
Total comprehensive income for the year		**53,131**	**30,474**
Profit for the year is attributable to:			
Non-controlling interest		61	124
Owners of Tasmea Limited		53,070	30,350
		53,131	30,474
Total comprehensive income for the year is attributable to:			
Non-controlling interest		61	124
Owners of Tasmea Limited		53,070	30,350
		53,131	30,474

		Cents	Cents
Basic earnings per share	12	23.22	15.16
Diluted earnings per share	12	22.92	15.16

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

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Consolidated Statement of Financial Position

As at 30 June 2025

	Note	Consolidated 2025 $'000	Consolidated 2024 $'000
Assets			
Current assets			
Cash and cash equivalents	14	20,314	25,125
Trade and other receivables	16	104,017	59,494
Contract assets	17	35,446	27,154
Inventories	18	18,429	15,421
Other assets	19	4,115	5,113
		182,321	132,307
Non-current assets classified as held for sale	20	790	790
Total current assets		**183,111**	**133,097**
Non-current assets			
Property, plant and equipment	21	79,072	57,613
Right-of-use assets	22	9,346	6,889
Intangible assets	23	219,059	89,394
Deferred tax assets	13	2,851	3,113
Other assets	19	117	759
Total non-current assets		**310,445**	**157,768**
Total assets		**493,556**	**290,865**
Liabilities			
Current liabilities			
Trade and other payables	24	78,525	57,896
Income tax payable	13	18,523	14,066
Contract liabilities	25	7,153	4,920
Borrowings	26	25,457	21,614
Lease liabilities	27	4,821	3,189
Provision for employee benefits	29	14,063	10,794
Other provisions	30	5,934	1,850
Derivative financial instruments	28	1,509	–
Total current liabilities		**155,985**	**114,329**
Non-current liabilities			
Borrowings	26	105,795	36,728
Lease liabilities	27	4,245	4,141
Provision for employee benefits	29	585	627
Other provisions	30	41,576	3,683
Total non-current liabilities		**152,201**	**45,179**
Total liabilities		**308,186**	**159,508**
Net assets		**185,370**	**131,357**
Equity			
Issued capital	31	176,296	121,795
Reserves	32	(4,573)	–
Retained profits	35	13,647	9,438
Equity attributable to the owners of Tasmea Limited		185,370	131,233
Non-controlling interest		–	124
Total equity		**185,370**	**131,357**

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

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Consolidated Statement of Changes in Equity

For the year ended 30 June 2025

Consolidated	Issued Capital $'000	Treasury Shares $'000	Share-Based Payments Reserve $'000	Retained Profits $'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 year	–	–	–	53,070	61	53,131
Other comprehensive income for the year, net of tax	–	–	–	–	–	–
Total comprehensive income for the year	–	–	–	53,070	61	53,131
Transactions with owners in their capacity as owners:						
Shares issued as purchase consideration in a business combination (note 39)	16,707	–	–	–	–	16,707
Dividends paid (note 36)	–	–	–	(48,861)	(185)	(49,046)
Shares issued in the dividend reinvestment plan (note 31))	32,623	(284)	–	–	–	32,339
Share-based payments (note 33)	1,250	–	778	–	–	2,028
Shares issued to the Tasmea Employee Share Trust (note 34)	4,026	(4,026)	–	–	–	–
Shares purchased by the Tasmea Employee Share Trust (note 34)	–	(1,486)	–	–	–	(1,486)
Deferred tax asset	–	445	–	–	–	445
Share issue costs, net of tax	(105)	–	–	–	–	(105)
Balance at 30 June 2025	**176,296**	**(5,351)**	**778**	**13,647**	**–**	**185,370**

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

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Consolidated Statement of Changes in Equity

For the year ended 30 June 2025

Consolidated	Issued Capital $'000	Treasury Shares $'000	Share-Based Payments Reserve $'000	Retained Profits $'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 year	–	–	–	30,350	124	30,474
Other comprehensive income for the year, net of tax	–	–	–	–	–	–
Total comprehensive income for the year	–	–	–	30,350	124	30,474
Transactions with owners in their capacity as owners:						
Contributions of equity, net of transaction costs (note 31)	33,000	–	–	–	–	33,000
Shares issued as purchase consideration in a business combination (note 39)	1,400	–	–	–	–	1,400
Shares issued as consideration for remaining interest in A.Noble & Son (note 39)	1,000	–	–	(847)	(153)	–
Shares issued in the dividend reinvestment plan (note 31)	3,518	–	–	–	–	3,518
Transaction costs in respect of the initial public offering, net of deferred tax (note 31)	(1,539)	–	–	–	–	(1,539)
Dividends paid (note 36)	–	–	–	(9,356)	–	(9,356)
Balance at 30 June 2024	**121,795**	**–**	**–**	**9,438**	**124**	**131,357**

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

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Consolidated Statement of Cash Flows

For the year ended 30 June 2025

	Note	Consolidated 2025 $'000	Consolidated 2024 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		580,351	415,560
Payments to suppliers (inclusive of GST) and employees		(515,184)	(366,363)
		65,167	**49,197**
Interest and other finance costs paid		(8,123)	(5,238)
Income taxes paid		(10,555)	(960)
Net cash from operating activities	15	**46,489**	**42,999**
Cash flows from investing activities			
Payment for purchases of controlled entities, net of cash acquired	39	(57,403)	(33,384)
Payment of deferred consideration for acquisitions		(5,150)	(114)
Proceeds from disposal of investment in associate		–	475
Payments for property, plant and equipment		(14,962)	(22,181)
Proceeds from disposal of property, plant and equipment		352	375
Net cash used in investing activities		**(77,163)**	**(54,829)**
Cash flows from financing activities			
Proceeds from borrowings		87,553	40,334
Repayment of borrowings		(22,318)	(35,224)
Repayment of lease liabilities		(7,070)	(3,847)
Dividends paid, net of reinvestment		(19,316)	(7,358)
Pre-acquisition distributions paid		(11,500)	–
On-market purchases of treasury shares		(1,486)	–
Proceeds from issue of shares	31	–	33,000
Share issue transaction costs		–	(6,957)
Net cash from financing activities		**25,863**	**19,948**
Net increase/(decrease) in cash and cash equivalents		**(4,811)**	**8,118**
Cash and cash equivalents at the beginning of the financial year		25,125	17,007
Cash and cash equivalents at the end of the financial year	14	**20,314**	**25,125**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

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Notes to the Consolidated Financial Statements

30 June 2025

Note 1. Reporting Entity 50
Note 2. Material Accounting Policy Information 50
Note 3. Critical Accounting Judgements, Estimates and Assumptions 57
Note 4. Operating Segments 59
Note 5. Revenue from Contracts with Customers 62
Note 6. Cost of Sales 63
Note 7. Other Income 63
Note 8. Administrative Expenses 64
Note 9. Depreciation and Amortisation Expense 64
Note 10. Other Expenses 64
Note 11. Finance Costs 65
Note 12. Earnings per Share 65
Note 13. Income Tax 66
Note 14. Cash and Cash Equivalents 68
Note 15. Cash Flow Information 69
Note 16. Trade and Other Receivables 70
Note 17. Contract Assets 70
Note 18. Inventories 71
Note 19. Other Assets 72
Note 20. Non-current Assets Classified as Held for Sale 72
Note 21. Property, Plant and Equipment 72
Note 22. Right-of-use Assets 74
Note 23. Intangible Assets 75
Note 24. Trade and Other Payables 78
Note 25. Contract Liabilities 78
Note 26. Borrowings 79
Note 27. Lease Liabilities 81
Note 28. Derivative Financial Instruments 81
Note 29. Provision for Employee Benefits 82
Note 30. Other Provisions 83
Note 31. Issued Capital 84
Note 32. Reserves 85
Note 33. Share-based Payments 86
Note 34. Treasury Shares 88
Note 35. Retained Profits 89
Note 36. Dividends 90
Note 37. Financial Instruments 90
Note 38. Interests in Subsidiaries 96
Note 39. Business Combinations 97
Note 40. Parent Entity Information 106
Note 41. Related Party Transactions 107
Note 42. Key Management Personnel Disclosures 110
Note 43. Commitments 110
Note 44. Contingent Liabilities 111
Note 45. Remuneration of Auditors 111
Note 46. Events after the Reporting Period 112

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Notes to the Consolidated Financial Statements continued

Note 1. Reporting Entity

The consolidated financial statements of the Company as at and for the year ended 30 June 2025 comprise the Company and its subsidiaries (together referred to as "**Tasmea**" or "**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 essential asset owners in the mining and resources, water and defence industries and financial advisory services to the corporate sector.

Note 2. Material Accounting Policy Information

(a) Statement of compliance and basis of preparation

The consolidated financial statements are Tier 1 general purpose financial statements prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. The consolidated financial report also complies with International Financial Reporting Standards (IFRS) and interpretations issued by the International Accounting Standards Board (IASB).

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for contingent consideration and derivatives which are measured at fair value.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

The consolidated financial statements were approved by the Board of Directors on 24 August 2025.

(b) Parent entity information

In accordance with the *Corporations Act 2001*, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 40.

(c) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Tasmea Limited as at 30 June 2025 and the results of all subsidiaries for the year then ended. Tasmea Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

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Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of comprehensive income, statement of financial position and statement of changes in equity of the Group. Losses incurred by the Group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

(d) Foreign currency translation

The financial statements are presented in Australian dollars, which is Tasmea Limited's functional and presentation currency.

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

(e) New or amended Accounting Standards and Interpretations adopted

The Group 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. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

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

The following Accounting Standards and Interpretations are most relevant to the Group:

AASB 18 *Presentation and Disclosure in Financial Statements*

Effective for annual reporting periods beginning on or after 1 January 2027. AASB 18 will replace AASB 101 *Presentation of Financial Statements*. Earlier application is permitted.

AASB 18 has been issued to improve how entities communicate in their financial statements, with a particular focus on information about financial performance in the statement of profit or loss. The key presentation and disclosure requirements established by AASB 18 are:

- The presentation of newly defined subtotals in the statement of profit or loss;
- The disclosure of management-defined performance measures (MPM); and
- Enhanced requirements for grouping information (i.e., aggregation and disaggregation).

AASB 18 is accompanied with limited consequential amendments to the requirements in other accounting standards, including AASB 107.

AASB 18 introduces three new categories for classification of all income and expenses in the statement of profit or loss: operating, investing and financing. Additionally, entities will be required to present subtotals for 'operating profit or loss', 'profit or loss before financing and income taxes' and 'profit or loss'.

For the purposes of classifying income and expenses into one of the three new categories, entities will need to assess their main business activity, which will require judgement. There may be more than one main business activity.

AASB 18 also requires several disclosures in relation to MPMs, such as how the measure is calculated, how it provides useful information and a reconciliation to the most comparable subtotal specified by AASB 18 or another standard.

(f) Rounding of amounts

The Company is of a kind referred to in *ASIC Corporations (Rounding in Financial/Director's Reports) 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.

Notes to the Consolidated Financial Statements continued

(g) Revenue recognition

The Group recognises revenue as follows:

Revenue from contracts with customers

Maintenance and Sustainability Services

The Group derives its primary revenue from the provision of maintenance and sustainability services to infrastructure assets, industrial facilities, and fixed plant across a broad range of essential sectors, including mining, resources, defence, energy, utilities, and infrastructure. This includes ongoing asset maintenance, shutdowns, programmed works, emergency breakdown response, brownfield upgrades, and contract mining services.

Revenue from maintenance and other service contracts is recognised over time, consistent with the transfer of control to the customer as services are rendered. The Group's contracts typically involve a series of interrelated tasks that are highly integrated and dependent on each other to deliver a combined output. Accordingly, these contracts are generally accounted for as a single performance obligation.

Revenue is recognised over time using an input method based on actual costs incurred as a proportion of total estimated contract costs. This approach best reflects the Group's progress toward satisfying its performance obligations. In some cases, particularly where time and materials billing is involved, output methods (e.g. labour hours or milestones achieved) may be applied if more appropriate.

Transaction prices are typically fixed but may include elements of variable consideration, such as bonuses or penalties tied to service-level outcomes or completion deadlines. Variable consideration is included in revenue only when it is highly probable that a significant reversal will not occur. Transaction prices are allocated to each performance obligation based on stand-alone selling prices.

Customers are invoiced in line with agreed billing schedules, which may be periodic (e.g. monthly) or milestone-based. Payment terms are generally between 30 to 90 days from invoice date. Where payments are received in advance of service delivery, revenue is deferred and recognised as a contract liability until the relevant performance obligation is satisfied.

The Group assesses contracts for potential modifications and accounts for these as either a separate contract or a change to the existing contract depending on whether the additional services are distinct and priced at market rates.

Infrastructure projects

The Group derives some of its revenue from the construction and engineering of infrastructure projects. The Group recognises revenue from major projects over time, consistent with the transfer of control to the customer as work is performed. An input method based on actual costs incurred relative to total estimated contract costs is used to measure progress toward satisfaction of each performance obligation.

Contracts typically comprise separate components of infrastructure, with each treated as a distinct performance obligation. The transaction price is allocated to each performance obligation based on relative stand-alone selling prices and may include variable consideration such as performance incentives or penalties. Variable consideration is included in the transaction price only to the extent that it is highly probable that a significant reversal will not occur.

Revenue is generally invoiced monthly or upon achievement of contractual milestones. Where consideration is received in advance of performance, it is recognised as a contract liability. Retentions and warranty obligations are included in total contract costs and assessed in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*. Where forecast costs exceed forecast revenue, a provision for an onerous contract is recognised in accordance with AASB 137.

Contract modifications are assessed to determine whether they result in a separate contract or a change to an existing performance obligation, based on whether the additional goods or services are distinct and priced at their stand-alone selling price.

Tender costs

Tender and bid costs are expensed as incurred, unless they are incremental to obtaining the contract or contractually reimbursable. The Group applies the practical expedient under AASB 15 and does not capitalise incremental costs of obtaining contracts.

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Sale of goods

Revenue is recognised when the customer obtains control of goods which is deemed to satisfy the performance obligation at a point in time at a fixed price and payment is generally due within 30 – 90 days of delivery. Some contracts provide customers with a right of return, which give rise to variable consideration subject to constraint.

Interest income

Interest income is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(h) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as measured at amortised cost and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under AASB 15.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

1. Financial assets at amortised cost.
2. Financial assets at fair value through profit or loss.
3. Equity instruments at fair value through other comprehensive income.
4. Debt instruments at fair value through other comprehensive income.

The Group measures financial assets at amortised cost if both of the following conditions are met: (i) the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost includes trade receivables, and other non-current financial assets.

Notes to the Consolidated Financial Statements continued

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Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired;
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset;
- The Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained; or
- Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at fair value through profit or loss. Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by AASB 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

- Borrowings. This is the category most relevant to the Group. This category generally applies to interest-bearing loans and borrowings. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(i) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

(j) Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Derivatives are classified as current or non-current depending on the expected period of realisation.

(k) Non-current assets or disposal groups classified as held for sale

Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current liabilities.

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Notes to the Consolidated Financial Statements continued

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(l) Associates

Associates are entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The Group discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

(m) Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

(n) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

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(o) Borrowing costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred. Borrowing costs include:

- interest on bank overdrafts and short-term and long-term borrowings;
- amortisation of line fees, discounts or premiums relating to borrowings;
- amortisation of ancillary costs incurred in connection with the arrangement of borrowings; and
- interest on leases.

Borrowing costs are capitalised into the asset cost when they relate specifically to a qualifying asset.

(p) Goods and Services Tax and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated Goods and Services Tax (GST), unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

The accounting policies that are material to the Group are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

Note 3. Critical Accounting Judgements, Estimates and Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results.

The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Revenue from contracts with customers involving construction, services and mining contracting projects

When recognising revenue in relation to construction, services and mining contracting projects judgements, estimates and assumptions are made in respect of determining the stage of completion and project completion date, estimation of the total contract costs, estimation of the total contract revenue, including recognising revenue on contract variations and claims only to the extent it is highly probable that a significant reversal in the amount recognised will not occur in the future, and assumed level of project execution and productivity (note 5).

Notes to the Consolidated Financial Statements continued

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Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates (note 16).

Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or non-strategic assets that have been abandoned or sold will be written off or written down (note 21).

Goodwill and other indefinite life intangible assets

The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 23. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and available tax losses only if the Group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses (note 13).

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Group's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Group reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances (note 22 and note 27).

Business combinations

As discussed in note 2, business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the Group taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported (note 39).

Contingent consideration

The deferred consideration liability is the difference between the total purchase consideration, usually on an acquisition of a business combination, and the amounts paid or settled up to the reporting date, discounted to net present value. The consolidated entity applies provisional accounting for any business combination. At each reporting date, the deferred consideration liability is reassessed against revised estimates and any increase or decrease in the net present value of the liability will result in a corresponding gain or loss to profit or loss. The increase in the liability resulting from the passage of time is recognised as a finance cost.

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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.

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

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

The information reported to the Executive Directors is on a monthly basis.

Types of products and services

The principal products and services of each of these operating segments are as follows:

Electrical services	Remote area specialist services in industrial and commercial electrical and instrumentation services, maintenance and compliance of electrical assets, and indigenous trade services.
Mechanical services	Remote area specialist services in industrial and commercial refurbishment and repairs, shutdown and mechanical maintenance.
Civil services	Remote area specialists in commercial earthworks, waste management and civil maintenance.
Water and fluid services	Remote area specialist services in industrial and commercial Geomembrane Solutions, Lubrication Solutions & Maintenance, Drainage Solutions.

Intersegment transactions

Intersegment transactions are on an arm's length basis in a manner similar to transactions with third parties and eliminated on consolidation.

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.

Major customers

During the year ended 30 June 2025, approximately 23% (2024: 25%) of the consolidated entity's external revenue was derived from sales to a leading global mining group. The revenue was derived across all segments.

Revenue by geographical area

All reported revenue is generated by the consolidated entity within Australia. All non-current assets are held in Australia.

Notes to the Consolidated Financial Statements continued

Operating segment information

Consolidated – 2025	Electrical $'000	Mechanical $'000	Civil $'000	Water & Fluid $'000	Adjustments & Eliminations $'000	Total $'000
Revenue						
Sales to external customers	216,896	141,746	100,792	86,249	–	545,683
Intersegment sales	(4,189)	3,119	2,280	810	(2,020)	–
Total sales revenue	212,707	144,865	103,072	87,059	(2,020)	545,683
Total segment revenue	212,707	144,865	103,072	87,059	(2,020)	545,683
Unallocated revenue						2,231
Total revenue						**547,914**
Earnings before interest, tax, depreciation and amortisation	**37,105**	**20,611**	**19,732**	**9,611**	**2,849**	**89,908**
Depreciation and amortisation	(4,673)	(5,480)	(2,129)	(1,066)	(2,157)	(15,505)
Earnings before interest and tax	**32,432**	**15,131**	**17,603**	**8,545**	**692**	**74,403**
Finance costs	(2,878)	(1,028)	(815)	(799)	(2,754)	(8,274)
Profit/(loss) before income tax expense	**29,554**	**14,103**	**16,788**	**7,746**	**(2,062)**	**66,129**
Income tax expense						(12,998)
Profit after income tax expense						**53,131**
Assets						
Segment assets	190,897	113,136	129,146	60,304	73	493,556
Total assets						**493,556**
Liabilities						
Segment liabilities	161,532	34,300	75,605	39,005	(2,256)	308,186
Total liabilities						**308,186**

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Consolidated – 2024	Electrical $'000	Mechanical $'000	Civil $'000	Water & Fluid $'000	Adjustments & Eliminations $'000	Total $'000
Revenue						
Sales to external customers	129,443	141,424	53,644	73,552	–	398,063
Intersegment sales	(1,253)	540	1,702	600	(1,589)	–
Total sales revenue	128,190	141,964	55,346	74,152	(1,589)	398,063
Total segment revenue	128,190	141,964	55,346	74,152	(1,589)	398,063
Unallocated revenue						1,942
Total revenue						**400,005**
Earnings before interest, tax, depreciation and amortisation	**15,557**	**22,102**	**11,819**	**6,858**	**623**	**56,959**
Depreciation and amortisation	(1,750)	(4,610)	(1,347)	(883)	(1,954)	(10,544)
Earnings before interest, and tax	**13,807**	**17,492**	**10,472**	**5,975**	**(1,331)**	**46,415**
Finance costs	(986)	(1,618)	(532)	(535)	(1,566)	(5,237)
Profit/(loss) before income tax expense	**12,821**	**15,874**	**9,940**	**5,440**	**(2,897)**	**41,178**
Income tax expense						(10,704)
Profit after income tax expense						**30,474**
Assets						
Segment assets	42,272	89,508	51,497	33,949	73,639	290,865
Total assets						**290,865**
Liabilities						
Segment liabilities	34,797	53,333	29,688	26,160	15,530	159,508
Total liabilities						**159,508**

Notes to the Consolidated Financial Statements continued

Note 5. Revenue from Contracts with Customers

	Consolidated	
	2025 $'000	**2024 $'000**
Sales – Services	508,782	357,018
Sales – Goods	39,132	42,987
	547,914	400,005

For the year ended 30 June 2025

Type of Service	Electrical Services $'000	Mechanical Services $'000	Civil Services $'000	Water & Fluid $'000	Unallocated $'000	Total $'000
Timing of Revenue Recognition						
Revenue recognised over time	212,707	119,499	101,540	74,825	211	508,782
Revenue recognised at a point in time	–	25,366	1,532	12,234	–	39,132
Total revenue from contracts with customers	**212,707**	**144,865**	**103,072**	**87,059**	**211**	**547,914**

For the year ended 30 June 2024

Type of Service	Electrical Services $'000	Mechanical Services $'000	Civil Services $'000	Water & Fluid $'000	Unallocated $'000	Total $'000
Timing of Revenue Recognition						
Revenue recognised over time	129,442	110,756	53,591	61,287	1,942	357,018
Revenue recognised at a point in time	1	30,668	53	12,265	–	42,987
Total revenue from contracts with customers	**129,443**	**141,424**	**53,644**	**73,552**	**1,942**	**400,005**

	Consolidated	
	2025 $'000	**2024 $'000**
Trade Receivables (note 16)	94,885	52,994
Contract Assets (note 17)	35,446	27,154
Contract Liabilities (note 25)	(7,153)	(4,920)
	123,178	75,228

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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.

Trade receivables represent receivables in respect of which the Group's right to consideration is unconditional subject only to the passage of time. Trade receivables are non-derivative financial assets accounted for in accordance with the Group's accounting policy for non-derivative financial assets.

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Note 6. Cost of Sales

	Consolidated	
	2025 $'000	2024 $'000
Labour	126,814	98,887
Materials	122,983	90,829
Services and contractors	53,850	33,600
Other employee costs	49,412	29,407
Plant and equipment costs	16,128	8,192
Travel and accommodation costs	5,024	4,875
Freight costs	3,863	2,036
Other costs of sales (a)	10,042	18,169
Total cost of sales	388,116	285,995

(a) Other cost of sales

Other costs of sales includes medical costs, protective equipment, uniforms, training costs, staff amenities and workshop costs.

Note 7. Other Income

	Consolidated	
	2025 $'000	2024 $'000
Net fair value gain on financial liabilities (a)	6,857	–
Net gain on disposal of property, plant and equipment	340	593
Government grants	–	1,177
Other	2,277	1,355
Total other income	9,474	3,125

(a) Fair value gain on remeasurement of derivative liabilities

The Group has recognised a gain of $6.9 million in relation to the remeasurement of derivative liabilities arising from the purchase consideration for the acquisition of Future Engineering Group, Flanco Group and Vertex Group. The derivative is measured at fair value through profit or loss in accordance with AASB 9 *Financial Instruments*. Changes in fair value have been recognised in other income for the period. Further details of the derivative liability, including valuation methodology and key assumptions, are provided in note 28 and note 39.

Notes to the Consolidated Financial Statements continued

Note 8. Administrative Expenses

	Consolidated	
	2025 $'000	**2024 $'000**
Employee benefits expense	47,670	33,038
Consulting and compliance	4,758	4,061
Insurance	5,617	4,634
Office and information technology	4,532	3,748
Travel expenses	2,678	893
Motor vehicle expenses	2,457	855
Property expenses	1,588	1,292
Other employee expenses	1,381	1,074
Rent expense – Short-term leases	839	235
Advertising, sponsorship and donations	520	504
Other administrative expenses	4,210	3,083
Total administrative expenses	76,250	53,417

Note 9. Depreciation and Amortisation Expense

	Consolidated	
	2025 $'000	**2024 $'000**
Depreciation of plant and equipment	5,139	3,070
Depreciation of commercial vehicles and trucks	2,893	1,917
Depreciation of leasehold improvements	143	117
Depreciation of office furniture and equipment	658	519
Depreciation of right of use assets	5,885	4,921
Amortisation of customer contracts	787	–
Total depreciation and amortisation expense	15,505	10,544

Note 10. Other Expenses

	Consolidated	
	2025 $'000	**2024 $'000**
Initial Public Offer expenses	–	4,759
Business combination – post acquisition related expenses	–	2,000
Business combination – acquisition related expenses	1,381	–
Share-based payment expenses	1,733	–
	3,114	6,759

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Note 11. Finance Costs

	Consolidated	
	2025 $'000	2024 $'000
Interest on borrowings	4,922	2,672
Interest on plant and equipment leases	1,192	1,165
Interest on property leases	296	332
Interest on deferred consideration	151	200
Other finance costs	1,713	868
Total finance costs	8,274	5,237

Note 12. Earnings per Share

	Consolidated	
	2025 $'000	2024 $'000
Profit after income tax	53,131	30,474
Non-controlling interest	(61)	(124)
Profit after income tax attributable to the owners of Tasmea Limited	53,070	30,350

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	228,521,552	200,151,132
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	3,000,000	–
Weighted average number of ordinary shares used in calculating diluted earnings per share	231,521,552	200,151,132

	Cents	Cents
Basic earnings per share	23.22	15.16
Diluted earnings per share	22.92	15.16

Accounting policy for earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Tasmea Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Notes to the Consolidated Financial Statements continued

Note 13. Income Tax

	Consolidated	
	2025 $'000	**2024 $'000**
Income tax expense		
Current tax	16,421	15,924
Origination and reversal of temporary differences	932	(2,953)
Recognition of losses not previously recognised	(4,105)	–
Utilisation of deferred tax asset	–	(2,612)
Under/(over) provisions in prior years	(250)	345
Aggregate income tax expense	12,998	10,704
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax expense	66,129	41,178
Tax at the statutory tax rate of 30%	19,839	12,353
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Recognition of tax losses not previously recognised	(5,817)	(2,612)
Recognition of capital losses not previously recognised	(207)	–
Other income not assessable	(2,357)	–
Depreciation of property, plant and equipment	–	34
Non-deductible expenses	1,036	618
Prior year true up	504	311
Income tax expense	12,998	10,704

	Consolidated	
	2025 $'000	**2024 $'000**
Amounts credited directly to equity		
Deferred tax assets	(445)	–

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	Consolidated	
	2025 $'000	2024 $'000
Net Deferred tax asset		
Net deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Employee benefits	3,970	4,056
Property, plant and equipment	(4,322)	(2,656)
Transaction costs deductible in future periods	1,354	1,671
Leases	(184)	64
Accrued expenses	1,068	127
Inventories	–	143
Allowance for expected credit losses	453	–
Allocable Cost Amount impacts on assets not recognised before	(856)	–
Intangible assets	(3,927)	–
Tax losses	4,105	–
Other provisions	690	–
Other	55	(292)
	2,406	3,113
Amounts recognised in equity:		
Employee Share Trust	445	–
Deferred tax asset	2,851	3,113
Movements:		
Opening balance	3,113	10
Credited to profit or loss	3,174	3,103
Credited to equity	445	–
Initial recognition of Allocable Cost Amount relating to acquisitions of subsidiaries (note 39)	(3,881)	–
Closing balance	2,851	3,113

	Consolidated	
	2025 $'000	2024 $'000
Income tax payable		
Income tax payable	18,523	14,066

Notes to the Consolidated Financial Statements continued

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Accounting policy for income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Tasmea Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Note 14. Cash and Cash Equivalents

	Consolidated	
	2025 $'000	**2024 $'000**
Current assets		
Cash at bank	18,305	24,207
Cash on deposit (short term)	2,009	918
Total cash and cash equivalents	20,314	25,125

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Accounting policy for cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Note 15. Cash Flow Information

Reconciliation of profit after income tax to net cash from operating activities

	Consolidated	
	2025 $'000	2024 $'000
Profit after income tax expense for the year	53,131	30,474
Adjustments for:		
Depreciation and amortisation	15,505	10,544
Share-based payments	1,733	–
Capital raising costs, treated as financing activity	–	4,759
Post business combination, acquisition related costs/(income)	(1,000)	2,000
Net fair value gain on financial liabilities	(6,857)	–
Government grant income recognised	–	(1,177)
Net gain on disposal of property, plant and equipment	(340)	(375)
Other non cash (income)/expenses	(892)	40
Change in operating assets and liabilities, net of movement from business combinations:		
Increase in trade and other receivables	(18,577)	(7,699)
Increase in contract assets	(5,891)	(15,142)
Increase in inventories	(2,236)	(2,034)
Decrease in current and deferred tax assets	5,093	8,805
Decrease/(increase) in prepayments	1,860	(272)
Decrease/(increase) in other assets	(186)	589
Increase in trade and other payables	5,412	13,350
Decrease in other provisions	(266)	(863)
Net cash from operating activities	**46,489**	**42,999**

Notes to the Consolidated Financial Statements continued

Note 16. Trade and Other Receivables

	Consolidated	
	2025 $'000	**2024 $'000**
Current assets		
Trade receivables	94,885	52,994
Less: Allowance for expected credit losses	(1,507)	(424)
	93,378	52,570
Other receivables	10,639	6,924
Total trade and other receivables	104,017	59,494

Accounting policy for trade and other receivables

Trade receivables are initially recognised at the transaction price and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for amounts covered by credit loss insurance and forward-looking factors specific to the debtors and the economic environment. Refer note 37.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 17. Contract Assets

	Consolidated	
	2025 $'000	**2024 $'000**
Current assets		
Contract assets	35,446	27,154
Reconciliation		
Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:		
Opening balance	27,154	12,370
Additions through business combinations (note 39)	2,774	469
Transfers to trade receivables	(29,928)	(12,839)
Revenue recognised in advance of invoicing	35,446	27,154
Closing balance	35,446	27,154

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Accounting for contract assets

Contract assets primarily represent the Group's right to consideration for services provided but not yet invoiced. They are transferred to trade receivables when invoiced in accordance with the terms of the contract. The Group invoiced $29.9 million during the reporting period that related to performance obligations satisfied, or partially satisfied, in prior periods (2024: $12.8 million).

Timing of performance obligations vs. payment:

- For maintenance and sustainability services, obligations are satisfied continuously as services are rendered. Invoicing typically occurs monthly. This results in contract assets when revenue recognition runs ahead of billing cycles;
- For infrastructure projects, obligations are satisfied over time using cost-to-cost input methods, while invoicing is milestone or monthly based. This timing mismatch is a key driver of both contract assets and contract liabilities; and
- For sales of goods, obligations are satisfied at a point in time. Invoicing and payment terms are aligned with delivery, and do not normally give rise to significant contract assets or liabilities.

At 30 June 2025, contract assets totalled $35.4 million (2024: $27.2 million). The increase in contract assets primarily reflects the recognition of contract assets from businesses acquired during the year and higher activity levels on shutdown and brownfield upgrade projects where revenue was recognised ahead of invoice milestones. No impairment losses were recognised on contract assets during the period.

Note 18. Inventories

	Consolidated	
	2025 $'000	2024 $'000
Current assets		
Raw materials	2,726	853
Work in progress	100	785
Finished goods	15,967	14,258
Less: Provision for impairment	(364)	(475)
	15,603	13,783
Total inventories	18,429	15,421

The cost of inventories recognised as an expense during the year in respect of continuing operations was $22.7 million (2024: $12.3 million).

The cost of inventories recognised as an expense includes $25,150 (2024: $300,000) in respect of write-downs of inventory to net realisable value, and has been reduced by $135,504 (2024: nil) in respect of the reversal of such write-downs.

Accounting policy for inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises of direct materials and delivery costs, direct labour, import duties and other taxes, and an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in selling and distribution.

Notes to the Consolidated Financial Statements continued

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Note 19. Other Assets

	Consolidated	
	2025 $'000	**2024 $'000**
Current assets		
Prepayments	3,457	4,536
Other current assets	658	577
Total other current assets	4,115	5,113
Non-current assets		
Total other non-current assets	117	759

Note 20. Non-current Assets Classified as Held for Sale

In June 2023, management committed to a plan to sell a property in Karratha, WA to Related Parties. The sale was approved by shareholders at an Extraordinary General Meeting of shareholders on 4 September 2023. The sale is pending clearance from the WA State Government. Accordingly, the asset is presented as a non-current asset classified as held for sale at 30 June 2025. This is also disclosed in Note 41 Related Party Transactions.

	Consolidated	
	2025 $'000	**2024 $'000**
Current assets		
Land and buildings	790	790

Note 21. Property, Plant and Equipment

	Consolidated	
	2025 $'000	**2024 $'000**
Non-current assets		
Land and buildings – at cost	5,902	2,700
Less: Accumulated depreciation	(74)	(98)
	5,828	2,602
Leasehold improvements – at cost	6,986	5,029
Less: Accumulated depreciation	(2,395)	(1,505)
	4,591	3,524
Plant and equipment – at cost	67,306	48,157
Less: Accumulated depreciation	(28,259)	(20,381)
	39,047	27,776
Commercial vehicles and trucks – at cost	47,078	34,121
Less: Accumulated depreciation	(18,961)	(14,543)
	28,117	19,578
Office furniture & equipment – at cost	6,603	5,638
Less: Accumulated depreciation	(5,114)	(4,533)
	1,489	1,105
Capital work in progress	–	3,028
Total property, plant and equipment	79,072	57,613

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Reconciliations

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

Consolidated	Land & Buildings $'000	Leasehold Improve-ments $'000	Plant & Equipment $'000	Comm-ercial Vehicles & Trucks $'000	Office Furniture & Equipment $'000	Capital Work in Progress $'000	Total $'000
Balance at 1 July 2023	2,592	2,193	11,025	12,381	1,280	–	29,471
Additions	–	1,477	10,639	6,730	307	3,028	22,181
Additions through business combinations (note 39)	–	329	8,574	2,900	31	–	11,834
Disposals	(15)	(3)	(194)	(177)	–	–	(389)
Transfers in/(out)	25	(135)	235	(125)	–	–	–
Depreciation expense	–	(337)	(2,503)	(2,131)	(513)	–	(5,484)
Balance at 30 June 2024	**2,602**	**3,524**	**27,776**	**19,578**	**1,105**	**3,028**	**57,613**
Additions	270	501	7,451	6,184	556	–	14,962
Additions through business combinations (note 39)	2,932	710	5,780	6,413	314	–	16,149
Disposals	–	(1)	–	(818)	–	–	(819)
Transfers in/(out)	24	–	3,179	(347)	172	(3,028)	–
Depreciation expense	–	(143)	(5,139)	(2,893)	(658)	–	(8,833)
Balance at 30 June 2025	**5,828**	**4,591**	**39,047**	**28,117**	**1,489**	**–**	**79,072**

Accounting policy for property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	25 years
Leasehold improvements	Lease Term
Plant & equipment	4-20 years
Commercial vehicles & trucks	4-10 years
Office furniture and equipment	5-20 years

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Notes to the Consolidated Financial Statements continued

Note 22. Right-of-use Assets

	Consolidated	
	2025 $'000	**2024 $'000**
Non-current assets		
Properties – right-of-use	8,033	6,375
Motor vehicles – right-of-use	1,313	514
	9,346	6,889

The Group leases land and buildings for its offices, warehouses and retail outlets under agreements of between one to five years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

The Group leases commercial vehicles under lease agreements of between three to five years with, in some cases, options to extend. Under these agreements the asset does not transfer on completion of the lease.

Reconciliations

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

Consolidated	**Properties $'000**	**Motor Vehicles $'000**	**Total $'000**
Balance at 1 July 2023	7,729	325	8,054
Additions	1,364	388	1,752
Additions through business combinations	2,094	–	2,094
Disposals	(90)	–	(90)
Depreciation expense	(4,722)	(199)	(4,921)
Balance at 30 June 2024	**6,375**	**514**	**6,889**
Additions	5,525	–	5,525
Additions through business combinations	1,857	960	2,817
Depreciation expense	(5,724)	(161)	(5,885)
Balance at 30 June 2025	**8,033**	**1,313**	**9,346**

Amounts recognised in profit and loss

	Consolidated	
	2025 $'000	**2024 $'000**
Depreciation expense on right of use assets	5,885	4,921
Interest expense on lease liabilities	1,488	1,488
Expense relating to short-term leases	839	235
	8,212	6,644

The short term and finance lease commitments are disclosed in note 44.

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Accounting policy for right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Note 23. Intangible Assets

	Consolidated	
	2025 $'000	**2024 $'000**
Non-current assets		
Goodwill	192,334	87,967
Patents and trademarks	164	299
Less: Accumulated amortisation	(66)	(62)
	98	237
Customer contracts – at fair value	5,326	1,390
Less: Accumulated amortisation	(987)	(200)
	4,339	1,190
Brand Names – at fair value	22,288	–
Total intangible assets	219,059	89,394

Reconciliations

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

Consolidated	**Goodwill $'000**	**Patents & Trademarks $'000**	**Customer Contracts $'000**	**Brand Names $'000**	**Total $'000**
Balance at 1 July 2023	61,426	2	–	–	61,428
Additions	–	143	–	–	143
Additions via business combinations (note 39)	26,541	154	1,190	–	27,885
Amortisation expense	–	(62)	–	–	(62)
Balance at 30 June 2024	**87,967**	**237**	**1,190**	**–**	**89,394**
Additions via business combinations (note 39)	104,078	–	4,316	22,288	130,682
Transfers in/(out)	289	(135)	(384)	–	(230)
Amortisation expense	–	(4)	(783)	–	(787)
Balance at 30 June 2025	**192,334**	**98**	**4,339**	**22,288**	**219,059**

Notes to the Consolidated Financial Statements continued

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At 30 June 2025, goodwill is allocated for impairment testing purposes to cash generating units (CGUs) as follows:

	Consolidated	
	2025 $'000	**2024 $'000**
Electrical Services	91,193	28,595
Mechanical Services	33,411	31,715
Civil Services	39,065	12,695
Water & Fluid Services	28,665	14,963
	192,334	87,968

At 30 June 2025, brand names are allocated for impairment testing purposes to cash generating units (CGUs) as follows:

	Consolidated	
	2025 $'000	**2024 $'000**
Electrical Services	9,260	–
Mechanical Services	1,000	–
Civil Services	11,000	–
Water & Fluid Services	1,028	–
	22,288	–

During the year, goodwill previously allocated to the Corporate Services segment was reallocated to the Electrical Services and Civil Services segments to better reflect the way the Group monitors and manages its cash-generating units. The prior year comparative has been restated accordingly.

The Group performs its impairment test at each reporting date. The cash generating units are consistent with those in the prior comparative period.

The recoverable amount of each CGU has been determined based on a value in use ('VIU') calculation using five-year cash flow projections derived from actual and forecast operating results. The FY26 financial forecast reflects the integration of acquisitions and no further one-off items. Beyond FY26, cash flows have been extrapolated using real annual growth rates of 2.5% (2024: 2.50%) and a terminal growth rate of 2.0% (2024: 1.00%), which is below the long term Australian 20 year real GDP growth rate of 3.2%.

In FY25, the Group transitioned from a pre-tax discount rate to a post-tax discount rate for impairment testing, consistent with AASB 136. A post-tax discount rate of 8.91% has been applied to each CGU (2024: pre-tax real WACC of 12.1%).

At 30 June 2025, the recoverable amount of all CGUs exceeded their carrying amount. The VIU calculations are most sensitive to assumptions regarding:

- Forecast earnings – particularly integration benefits and margins;
- Discount rate – reflecting the Group's weighted average cost of capital; and
- Terminal growth rate – influences the residual value of cash flows beyond the forecast period.

Reasonably possible changes in these assumptions would not cause the carrying amount of any CGU to exceed its recoverable amount.

Accounting policy for intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Patents and trademarks

Significant costs associated with patents and trademarks are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of ten years.

Customer contracts

Customer contracts acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life of three to five years.

Brand Names

Brand names are recognised as identifiable intangible assets arising from business acquisitions. They represent the value attributed to established trading names and associated reputation of the acquired businesses. Brand names have been initially recognised at fair value at the date of acquisition and are not amortised, but are instead tested annually for impairment, or more frequently if indicators of impairment exist.

The Group has determined that brand names have an indefinite useful life on the basis that they are well established in their respective markets, are expected to continue to generate net cash inflows indefinitely, and there are no legal, regulatory, contractual, economic or other factors that limit their useful lives.

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Notes to the Consolidated Financial Statements continued

Note 24. Trade and Other Payables

	Consolidated	
	2025 $'000	**2024 $'000**
Current liabilities		
Trade payables	46,829	25,003
Other payables and accrued expenses	24,100	27,530
Business acquisition consideration payable	7,596	–
Related party payables	–	3,363
Business acquisition costs payable	–	2,000
Total trade and other payables	78,525	57,896

Refer to note 37 for further information on financial instruments.

Business acquisition consideration payable

The business acquisition consideration payable relates to the amounts payable to Vertex Group vendors at settlement. The settlement occurred on 24 July 2025. Further information on the acquisition of Vertex Group can be found in note 39.

Accounting policy for trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 25. Contract Liabilities

	Consolidated	
	2025 $'000	**2024 $'000**
Current liabilities		
Contract liabilities	7,153	4,920
Reconciliation		
Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:		
Opening balance	4,920	7,337
Additions through business combinations (note 39)	–	737
Transfer to revenue as performance obligations satisfied	(4,920)	(8,074)
Payments received in advance	7,153	4,920
Closing balance	7,153	4,920

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Accounting policy for contract liabilities

Contract liabilities represent the Group's obligation to provide services to customers for which consideration has been received in advance, or for which invoicing has occurred before the related performance obligations are satisfied. They are recognised as revenue when the underlying performance obligations are met.

Timing of performance obligations vs. payment:

- For maintenance and sustainability services, obligations are satisfied continuously as services are rendered. Invoicing typically occurs monthly, resulting in minimal contract liabilities;
- For infrastructure projects, obligations are satisfied over time using cost-to-cost input methods, while invoicing is milestone or progress-based. When invoicing runs ahead of revenue recognition, contract liabilities are recorded; and
- For sales of goods, obligations are satisfied at a point in time. Invoicing and payment terms are aligned with delivery and may give rise to advance payments recorded as contract liabilities.

At 30 June 2025, contract liabilities totalled $7.2 million (2024: $4.9 million). The increase reflects higher customer prepayments and invoicing in advance of performance obligations on long-term projects. All contract liabilities at the beginning of the financial year were recognised as revenue during the period.

Note 26. Borrowings

	Consolidated	
	2025 $'000	2024 $'000
Current liabilities		
Term loans	16,081	12,676
Equipment Finance	6,962	5,552
Other short-term loans	2,414	3,386
Total current loans and borrowings	25,457	21,614
Non-current liabilities		
Term loans	95,164	24,761
Equipment Finance	10,631	11,967
Total non-current loans and borrowings	105,795	36,728

Tasmea Limited's various finance facilities include both fixed and floating interest rates depending on the nature of the facility. The Group's term loans bear interest at variable rates based on BBSY plus a margin inclusive of line fees of 2.0%. Equipment finance facilities are fixed rate arrangements with an average interest rate of 6.26%. The maturity terms of the various finance facilities are reflected in the Current/ Non-current split shown above, with final maturities extending to FY29.

The Group's banking facilities require a number of standard representations, warranties and undertakings from Tasmea Limited and its subsidiaries 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 loan facilities are subject to financial covenants that are tested on a six monthly basis, including:

- a maximum Leverage Ratio (Net Debt to EBIT) of 2.25 times; and
- a minimum Equity Ratio of not less than 30% up to 31 December 2024, increasing to 35% from 31 December 2024 onwards.

At 30 June 2025, the carrying amount of liabilities subject to these covenant arrangements was $125.9 million (2024: $51.1 million). The Group has complied with all financial covenants during the year and as at reporting date.

Notes to the Consolidated Financial Statements continued

Certain non-current borrowings are classified as non-current on the basis that the Group has the contractual right to defer settlement beyond twelve months, subject to ongoing compliance with the financial covenants noted above. If the Group were to breach these covenants within the next twelve months and did not obtain a waiver, the relevant borrowings could become repayable on demand. At the date of this report, there are no facts or circumstances indicating that the Group may have difficulty complying with these covenants within twelve months after the reporting period.

The Weighted Average Interest Rate (WAIR) for current and non-current borrowings was 5.90% (2024: 6.26%).

Refer to note 37 for further information on financial instruments.

Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

	Consolidated	
	2025 $'000	**2024 $'000**
Total facilities		
Bank loans	132,825	64,881
Asset Finance Facility	22,056	19,000
Multi Option Trade Finance Facility	2,250	2,250
	157,131	86,131
Used at the reporting date		
Bank loans	111,245	37,437
Asset Finance Facility	12,179	11,753
Multi Option Trade Finance Facility	2,033	1,867
	125,457	51,057
Unused at the reporting date		
Bank loans	21,580	27,444
Asset Finance Facility	9,877	7,247
Multi Option Trade Finance Facility	217	383
	31,674	35,074

Accounting policy for borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

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Note 27. Lease Liabilities

	Consolidated	
	2025 $'000	2024 $'000
Current liabilities		
Lease liability – Properties	4,545	2,783
Lease liability – Motor Vehicles	276	406
	4,821	3,189
Non-current liabilities		
Lease liability – Properties	4,234	4,018
Lease liability – Motor Vehicles	11	123
	4,245	4,141

The Group leases various properties and motor vehicles under non-cancellable operating leases. The leases have varying terms and renewal rights. On renewal, the terms of the leases are renegotiated. Lease liabilities – Properties represents amounts recognised in respect of property leases for which title does not transfer. Lease liabilities – Motor vehicles represents leases where title does not transfer to the Group on expiry of the lease.

Accounting policy for lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially measured at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, the exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. Variable lease payments that do not depend on an index or rate are expensed in the period in which they are incurred.

Subsequently, lease liabilities are measured in accordance with AASB 16 *Leases*. Lease liabilities are remeasured when there is a change in future lease payments resulting from movements in an index or rate, reassessment of residual value guarantees, lease term, purchase options, or termination penalties. When a lease liability is remeasured, the adjustment is recognised against the carrying amount of the related right-of-use asset, or in profit or loss if the right-of-use asset has been fully depreciated.

Note 28. Derivative Financial Instruments

The Group has outstanding share price guarantees in relation to the Future Engineering Group, Flanco and Vertex acquisitions. Although these arrangements are not put options in legal form, they have been valued using put option pricing models. Details of the share price guarantees are disclosed in note 39. As at 30 June 2025, the fair value of these instruments were recorded as a liability.

	Consolidated	
	2025 $'000	2024 $'000
Current liabilities		
Derivative liability at fair value	1,509	–

Notes to the Consolidated Financial Statements continued

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Accounting policy on derivative financial instruments

The Group measures its derivative financial instruments at fair value at each balance sheet date. The Group uses valuation inputs 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 inputs to the derivative liability, where the lowest level input 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 7).

Refer to note 37 for further information on financial instruments.

Note 29. Provision for Employee Benefits

	Consolidated	
	2025 $'000	**2024 $'000**
Current liabilities		
Annual leave	8,591	6,737
Long service leave	4,059	3,103
Other employee benefits	1,413	954
Total current provision for employee entitlements	14,063	10,794
Non-current liabilities		
Long service leave	585	627
Total non-current provision for employee entitlements	585	627

Amounts not expected to be settled within the next 12 months

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the Group does not have an unconditional right to defer settlement. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

Accounting policy for employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for long service leave not expected to be settled within 12 months of the reporting date is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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Note 30. Other Provisions

	Consolidated	
	2025 $'000	2024 $'000
Current liabilities		
Contingent consideration	5,400	1,850
Other provisions	534	–
Total other current provisions	5,934	1,850
Non-current liabilities		
Contingent consideration	41,016	3,377
Workers compensation self insurance	560	306
Total other non-current provisions	41,576	3,683

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. At 30 June 2025 the balance includes amounts payable to the vendors of ForeFront Services, West Coast Lining Systems, Future Engineering Group, Flanco Group and Vertex Group. Refer to note 39 for further information on the contingent consideration by business.

Workers' compensation self insurance

Tasmea Limited has maintained workers' compensation self-insurance status in South Australia since 1 July 2014, under a registration granted by ReturnToWorkSA. During the financial year, the registration was formally reviewed and renewed for a further three years, extending to 30 June 2028. The renewal is subject to compliance with the Return to Work Act, the Code of Conduct for Self-Insured Employers, and specific conditions related to injury management processes, resource arrangements, and participation in a mid-term review by ReturnToWorkSA.

As part of its ongoing obligations, the Group engages an independent actuary to estimate the liability for outstanding South Australian workers' compensation claims. This estimate is updated annually and incorporates the Group's claims experience, actuarial assumptions, and specific case assessments.

Accounting policy for provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Notes to the Consolidated Financial Statements continued

Note 31. Issued Capital

	Consolidated			
	2025 Shares	2024 Shares	2025 $'000	2024 $'000
Ordinary shares – fully paid	243,129,443	220,010,741	176,296	121,795

Movements in ordinary share capital

Details	Date	Shares	Price	$'000
Opening balance	**1 July 2023**	**194,934,638**		**84,416**
Shares issued as purchase consideration for A.Noble & Son	9 Aug 2023	666,666	$1.50	1,000
Shares issued as purchase consideration for ForeFront Services	8 Feb 2024	1,000,000	$1.40	1,400
Shares issued in the Initial Public Offering	22 April 2024	21,153,846	$1.56	33,000
Shares issued in the Dividend Reinvestment Plan	7 June 2024	2,255,591	$1.56	3,518
Less: Initial Public Offering (IPO) related costs, net of tax	22 April 2024	–		(1,539)
Closing balance	**30 June 2024**	**220,010,741**		**121,795**
Share-based payments – Bonus Share Plan	31 July 2024	7,896	$1.55	12
Shares issued as purchase consideration – Future Engineering Group	2 Sept 2024	7,000,000	$1.75	12,250
Shares issued under the Dividend Reinvestment Plan	17 Oct 2024	2,688,405	$2.11	5,675
Share-based payments – Bonus Share Plan	31 Dec 2024	135,270	$2.95	399
Share-based payments – Bonus Share Plan	23 Jan 2025	100,000	$2.95	295
Share-based payments – Employee Share Ownership Program	7 Mar 2025	154,806	$2.82	436
Share-based payments – Bonus Share Plan	8 April 2025	4,546	$2.43	11
Shares issued under the Dividend Reinvestment Plan	15 May 2025	2,222,926	$2.54	5,653
Shares issued as purchase consideration – Flanco Group	16 May 2025	1,714,286	$2.60	4,457
Shares issued to the Tasmea Employee Share Trust	31 May 2025	1,583,000	$2.54	4,021
Share-based payments – Bonus Share Plan	27 June 2025	35,793	$2.85	102
Shares issued under the Dividend Reinvestment Plan	30 June 2025	7,471,774	$2.85	21,295
Less: ASX share issue costs		–		(105)
Closing balance	**30 June 2025**	**243,129,443**		**176,296**

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.

Share buy-back

There is no current on-market share buy-back.

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Capital risk management

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Company's share price at the time of the investment.

The Group is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 30 June 2024 Annual Report.

Accounting policy for issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Note 32. Reserves

	Consolidated	
	2025 $'000	2024 $'000
Share-based payments reserve	778	–
Treasury shares reserve	(5,351)	–
	(4,573)	–

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. Further information on each of the Share-Based Payments plans and the amounts recognised during the year is outlined in note 33.

Treasury Shares Reserve

Treasury shares are shares repurchased or held by the Group in Tasmea's Employee Share Trust for future issuance to employees. Further information on the Tasmea Employee Share Trust, and amounts held, is outlined in note 34.

Notes to the Consolidated Financial Statements continued

Note 33. 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 Tasmea Employee Share Ownership Plan (ESOP) is designed to reward, retain and motivate eligible employees, and to align their interests with those of the Company's shareholders by providing an opportunity to acquire an equity interest in the Company.

Under the ESOP, eligible employees are offered $1,000 worth of fully paid ordinary shares in Tasmea Limited at no cost. All permanent full-time, part-time and long-term casual employees with more than three years of continuous service, are eligible to participate.

Shares allocated under the ESOP carry full ownership rights, including voting rights and entitlement to dividends. However, the shares are subject to a three-year escrow period and cannot be transferred or disposed of until the earlier of the employee's cessation of employment or three years from the allocation date. All shares are also subject to Tasmea's Securities Trading Policy.

The number of shares allocated to each employee is determined by dividing the offer amount by the volume-weighted average price (VWAP) of Tasmea shares over the five business days up to and including the offer close date, rounded up to the nearest whole share.

In FY25, 154,806 shares were allocated to 440 employees under the ESOP. The associated expense recognised in Other Expenses was $436,000 (note 10).

Bonus Share Plan

The Bonus Share Plan allows eligible employees to elect to receive part or all of their annual discretionary bonus in the form of fully paid ordinary shares in Tasmea Limited. The objective of the plan is to reward, retain and motivate employees, and to align their interests with those of shareholders by providing an opportunity to acquire an equity interest in the Company.

Eligible employees may elect to participate in the plan following determination of their bonus entitlement. Shares are issued based on the volume-weighted average price (VWAP) over the five business days up to and including the offer close date. Shares allocated under the plan are subject to the Company's Securities Trading Policy.

For the year ended 30 June 2025, a number of employees elected to receive part or all of their bonus in shares. A total of 283,505 ordinary shares were issued under the plan, with a total expense recognised in Other Expenses of $819,000 (note 10).

Employee Incentive Plan

Tasmea Limited established an Employee Incentive Plan (referred to as the Long-Term Incentive Plan or LTI Plan) following shareholder approval at the 2024 Annual General Meeting. The plan is to be administered through the Employee Share Trust, which was established in December 2024. No offers were made under the LTI Plan during FY25.

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. Options not exercised will lapse on the expiry date, within five years of the grant date, for those Options, or upon cessation of employment or a determination by the Board in certain cases of breach.

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The following share-based payment arrangements were issued under the Option Incentive Plan during the year ended 30 June 2025.

Series	Number	Grant Date	Performance Hurdle	Expiry Date	Method of Valuation	Fair Value at Grant Date
Tranche 1	1,000,000	20/11/2024	(1) Tasmea EBIT increases to $110.0 million; (2) Tasman Power EBIT achieves 15% CAGR; and (3) J Pryde holds an executive role at Tasmea.	30/06/2028	Black-Scholes	$1.72
Tranche 2	1,000,000	20/11/2024	(1) Tasmea EBIT increases to $135.0 million; (2) Tasman Power EBIT achieves 15% CAGR; and (3) J Pryde holds an executive role at Tasmea.	30/06/2029	Black-Scholes	$1.75
Tranche 3	1,000,000	20/11/2024	(1) Tasmea EBIT increases to $160.0 million; (2) Tasman Power EBIT achieves 15% CAGR; and (3) J Pryde holds an executive role at Tasmea.	30/06/2029	Black-Scholes	$1.75
	3,000,000					

Valuation inputs

The fair value of the options granted was determined using the Black-Scholes model with the following key valuation inputs:

- Weighted average share price at grant date: $3.15
- Exercise price: $1.56;
- Expected volatility: 47%;
- Option life: Tranche 1: 3.6 years; Tranche 2 and 3: 4.6 years;
- Risk-free interest rate: 4.0%; and
- Dividend yield: 2.4%.

The fair value of the options is most sensitive to assumptions regarding expected volatility and option life, as changes in these inputs would have the greatest impact on the valuation.

Accounting policy for share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

Notes to the Consolidated Financial Statements continued

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period; and
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Note 34. Treasury Shares

Tasmea Limited established the Tasmea Employee Share Trust on 17 December 2024 to facilitate the acquisition, holding, and transfer of ordinary shares in the Company to satisfy obligations arising under employee share schemes, including the Employee Incentive Plan (LTI). As at 30 June 2025, the total forecast number of shares required to satisfy obligations under the Long-Term Incentive Plan is 2,081,022 shares. The shares held by the trust at balance date are intended to meet these future entitlements.

The Employee Share Trust is administered by Tasmea ESP Pty Ltd, a wholly owned subsidiary of Tasmea Limited, acting as trustee. The directors of the trustee company determine the timing and method of share acquisitions, which may include on-market purchases or issues of new shares by the Company. The Employee Share Trust is consolidated into the Group's financial statements in accordance with AASB 10 *Consolidated Financial Statements*, on the basis that Tasmea Limited controls the trust.

Shares held by the Employee Share Trust are accounted for as treasury shares and deducted from equity in the consolidated statement of financial position in accordance with AASB 132 *Financial Instruments: Presentation*.

During the year ended 30 June 2025, the Employee Share Trust acquired shares through a combination of methods. The number of shares held in the Employee Share Trust at 30 June 2025 was 2,236,111 (30 June 2024: Nil). No shares had been transferred to employees during the year.

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Share movements in the Employee Share Trust

	Consolidated	
	2025 $'000	2024 $'000
Opening balance	–	–
On market purchases of Tasmea Limited securities	1,486	–
New shares issued to the Employee Share Trust	4,026	–
Participation in the Dividend Reinvestment Plan	284	–
Closing Balance	5,796	–

Shares held in the Employee Share Trust will be allocated to eligible participants under Tasmea's LTI plan as vesting conditions are satisfied. Shares may be held in the trust until vesting, at which point they are transferred to participants. There is no post-vesting escrow or holding lock applied to shares once vested and transferred. The EST operates as a pass-through trust for tax purposes, with no separate tax obligations. Further information regarding the Long-Term Incentive Plan is provided in (note 33).

Accounting policy for treasury shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the share-based payments reserve.

Note 35. Retained Profits

	Consolidated	
	2025 $'000	2024 $'000
Retained profits/(accumulated losses) at the beginning of the financial year	9,438	(10,709)
Profit after income tax expense for the year	53,070	30,350
Dividends paid (note 36)	(48,861)	(9,356)
Shares issued as consideration for interest in A Noble & Son	–	(847)
Retained profits at the end of the financial year	13,647	9,438

Notes to the Consolidated Financial Statements continued

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Note 36. Dividends

Dividends

Dividends paid during the financial year were as follows:

	Consolidated	
	2025 $'000	**2024 $'000**
FY24 Final dividend of 4.0 cents per ordinary share *(2024: FY23 final dividend of 2.0 cents)*	9,081	3,912
FY25 Interim dividend of 5.0 cents per ordinary share *(2024: FY24 interim dividend of 2.5 cents)*	11,505	5,444
FY25 Special dividend of 12.0 cents per ordinary share	28,275	–
	48,861	9,356

Franking credits

	Consolidated	
	2025 $'000	**2024 $'000**
Franking credits available for subsequent financial years based on a tax rate of 30%	12,663	32,417

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:

- franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date;
- franking debits that will arise from the payment of dividends recognised as a liability at the reporting date; and
- franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date.

Accounting policy for dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the Company.

Note 37. Financial Instruments

Financial risk management objectives

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk, market risk (including interest rate risk).

The Board reviews and agrees policies for managing each of these risks and the Audit and Risk Management Committee is responsible for monitoring compliance with risk management strategies throughout the Group.

The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, and ageing analysis for credit risk. The Group uses basic financial instruments to manage financial risk.

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Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Group's operating units. Finance reports to the Board on a monthly basis.

	Consolidated	
	2025 $'000	2024 $'000
Financial assets at amortised cost		
Trade receivables (note 16)	93,378	52,570
Other receivables (note 16)	10,639	6,924
Total financial assets	104,017	59,494
Current	104,017	59,494
Financial liabilities at amortised cost		
Trade and other payables (note 24)	70,929	52,533
Other payables (note 24)	7,596	5,363
Borrowings (note 26)	131,252	58,342
Total financial liabilities	209,777	116,238
Current	103,982	79,510
Non-current	105,795	36,728
	209,777	116,238

Market risk

Interest rate risk

The Group's main interest rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the Group to interest rate risk. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk.

As at the reporting date, the Group had the following variable rate borrowings outstanding:

	2025		2024	
Consolidated	Weighted Average Interest Rate %	Balance $'000	Weighted Average Interest Rate %	Balance $'000
Term loans	5.90%	111,245	6.26%	37,437
Net exposure to cash flow interest rate risk		111,245		37,437

An analysis by remaining contractual maturities is shown in 'liquidity and interest rate risk management' below.

For the Group the bank loans outstanding, totalling $111.7 million are principal and interest payment loans. Quarterly cash outlays of approximately $1.5 million are required to service the interest payments. An official increase/decrease in interest rates of 100 basis points would have a positive/adverse effect on profit before tax of $1.1 million per annum. The percentage change is based on the expected volatility of interest rates using market data and analysts forecasts. In addition, minimum principal repayments of $16.4 million are due during the year ending 30 June 2026.

Notes to the Consolidated Financial Statements continued

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Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables and contract assets) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The credit policy under which each new and existing customer is assessed for creditworthiness is determined separately by each operating subsidiary of the Group and accordingly reflects the different nature of each business's industry, customers and associated risks. Generally, however, customer credit reviews include external ratings, when available, and in some cases bank references. Customers that fail to meet the relevant benchmark creditworthiness may transact with the Group only on a prepayment basis. Credit quality of a customer is assessed based on a credit rating review and individual credit limits are defined in accordance with this assessment. The Group holds insurance policies to protect the recoverability of trade receivables where economically viable or insurance is available against the debtor.

Revenue concentration risk is also relevant to credit risk. Approximately 25% of the Group's external revenue for the year ended 30 June 2025 was derived from sales to a leading global mining group (2024: 28%). While this customer is A rated with a stable outlook and has a long history of timely payment to the Group. While the concentration represents an exposure that the Group actively monitors, the customer's strong credit profile significantly mitigates the risk of default.

Goods are, where possible, sold subject to retention of title clauses, so that in the event of non-payment the Group may have a secured claim. The Group does not require collateral in respect of trade and other receivables. The letters of credit and credit insurance form an integral part of the credit risk associated with receivables and are taken into account in the calculation of impairment. At 30 June 2025, over 50% of the Group's trade receivables were covered by letters of credit and credit insurance (30 June 2024: >80%).

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Exposure to credit risk

The Group's maximum exposure to credit risk for the components of the statement of financial position at 30 June 2025 and 30 June 2024 is the carrying amounts as illustrated in the table above.

The Group manages its credit risk by maintaining strong relationships with a broad range of quality clients and by applying a range of risk-mitigation practices. These include credit assessments, the use of retention of title clauses, letters of credit, and credit insurance arrangements. Together, these measures help to reduce the risk of default on receivables. Accordingly, while the Group has some revenue concentration with major customers as disclosed above, there are no other significant concentrations of credit risk within the Group.

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The Group's maximum exposure to credit risk for trade receivables and contract assets at the reporting date by type of customer was:

	Consolidated	
	2025 $'000	2024 $'000
Industrials (oil & gas, mining, defence, water)	130,331	80,148

The ageing of the Group's contract assets and trade receivables at the reporting date was:

	Trade Receivables 2025 $'000	Trade Receivables 2024 $'000	Contract Assets 2025 $'000	Contract Assets 2024 $'000
Days past due				
Current	66,939	34,263	35,446	27,154
Less than 30 days	19,283	14,302	–	–
31-60 days	3,210	2,420	–	–
61-90 days	2,344	620	–	–
Greater than 90 days	3,109	1,389	–	–
	94,885	52,994	35,446	27,154

Allowance for expected credit losses

The Group recognised an expense of $135,000 in profit or loss in respect of expected credit losses for the year ended 30 June 2025 (2024: $48,000).

Set out below is the information about the credit risk exposure on the Group's trade and other receivables using a provision matrix:

	Expected Credit Loss Rate		Carrying Amount		Allowance for Expected Credit Losses	
Days past due	2025 %	2024 %	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Current	–	0.1%	76,071	41,187	88	99
Less than 30 days	0.1%	0.5%	19,283	14,302	36	83
30-60 days	2.1%	0.6%	3,210	2,420	69	15
61-90 days	10.1%	6.8%	2,344	620	237	42
Greater than 91 days	23.3%	13.3%	4,616	1,389	1,077	185
			105,524	59,918	1,507	424

Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Notes to the Consolidated Financial Statements continued

Available cash and trade receivables used to manage liquidity risk are outlined in note 14 and note 16. The maturity profile of trade receivables is outlined under the credit risk disclosure above.

The Group's credit facilities are outlined in note 26 to this financial report.

Financing arrangements

Unused borrowing facilities at the reporting date:

	Consolidated	
	2025 $'000	**2024 $'000**
Bank loans	21,580	27,444
Asset Finance Facility	9,877	7,247
Multi Option Trade Finance Facility	217	383
	31,674	35,074

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated – 2025	**Weighted Average Interest Rate %**	**1 Year or Less $'000**	**Between 1 and 2 Years $'000**	**Between 2 and 5 Years $'000**	**Over 5 Years $'000**	**Remaining Contractual Maturities $'000**
Non-derivatives						
Non-interest bearing						
Trade payables		46,829	–	–	–	46,829
Other payables		24,100	–	–	–	24,100
Deferred consideration		7,596	–	–	–	7,596
Contingent consideration		5,400	15,072	25,020	–	45,492
Interest-bearing – variable						
Term loans	5.90%	16,081	16,408	40,623	38,133	111,245
Interest-bearing – fixed rate						
Other loans	14.30%	2,414	–	–	–	2,414
Equipment Finance	6.26%	6,962	6,692	3,939	–	17,593
Lease liabilities – Properties	4.69%	4,545	3,488	–	–	8,033
Lease Liabilities – Motor Vehicles	6.26%	276	1,037	–	–	1,313
Total non-derivatives		114,203	42,697	69,582	38,133	264,615
Derivatives						
Share price guarantees		1,509	–	–	–	1,509
Total derivatives		1,509	–	–	–	1,509

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Consolidated – 2024	Weighted Average Interest Rate %	1 Year or Less $'000	Between 1 and 2 Years $'000	Between 2 and 5 Years $'000	Over 5 Years $'000	Remaining Contractual Maturities $'000
Non-derivatives						
Non-interest bearing						
Trade payables		25,003	–	–	–	25,003
Other payables		27,530	–	–	–	27,530
Related party payables		3,363	–	–	–	3,363
Deferred consideration		1,850	3,377	–	–	5,227
Interest-bearing – variable						
Term loans	6.26%	12,676	12,676	12,085	–	37,437
Interest-bearing – fixed rate						
Other loans	8.24%	3,386	–	–	–	3,386
Equipment Finance	6.68%	406	5,552	6,415	–	12,373
Lease liabilities – Properties	4.76%	2,783	4,018	–	–	6,801
Lease Liabilities – Motor Vehicles		–	123	–	–	123
Total non-derivatives		76,997	25,746	18,500	–	121,243

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

The fair values of all financial assets and liabilities are approximate to their carrying amount as at balance sheet date.

Capital Management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as net operating income before interest divided by total shareholder equity, excluding minority earnings and outstanding executive options. The Board of Directors also monitors the level of dividends to ordinary shareholders.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

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Notes to the Consolidated Financial Statements continued

Note 38. Interests in Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

		Ownership Interest	
Name	**Country of Incorporation**	**2025 %**	**2024 %**
Parent entity			
Tasmea Limited	Australia		
Subsidiaries			
A. Noble & Son Pty Ltd	Australia	100%	100%
AusPress Holdings Pty Ltd	Australia	100%	100%
AusPress MEI Pty Ltd	Australia	100%	100%
AusPress Systems Pty Ltd	Australia	100%	100%
Dingo Concrete Services Pty Ltd	Australia	100%	100%
Fabtech Holdings Pty Limited	Australia	100%	100%
Fabtech Australia Pty Ltd	Australia	100%	100%
Flanco Civil Pty Ltd	Australia	100%	–
Flanco Kalgoorlie Pty Ltd	Australia	100%	–
Future Engineering Group Holdings Pty Ltd	Australia	100%	–
Future Engineering & Communication Pty Ltd	Australia	100%	–
Future Power WA Pty Ltd	Australia	100%	–
Groundbreaking Mining Solutions Pty Ltd	Australia	100%	100%
Heavymech Pty Ltd	Australia	100%	100%
ICE Engineering & Construction Holdings Pty Ltd	Australia	100%	100%
ICE Engineering & Construction Pty Ltd	Australia	100%	100%
Laptek Systems Pty Ltd	Australia	100%	100%
M&B Civil Pty Ltd	Australia	100%	100%
MGW Engineering Pty Ltd	Australia	100%	100%
Moxstar Pty Ltd	Australia	100%	100%
NWMC Mining & Civil Pty Ltd	Australia	100%	100%
Quarry & Mining Manufacture Pty Ltd	Australia	100%	100%
Quarry Mining & Manufacture (USG) Pty Ltd	Australia	100%	100%
Rise Engineering Pty Ltd	Australia	67%	67%
Rollwell Engineering Pty Ltd	Australia	100%	–
Sigma Power Services Pty Ltd	Australia	100%	100%
Starboard Tack Pty Ltd	Australia	100%	100%
Tasman Asset Management Services Pty Ltd	Australia	100%	100%
Tasman Labour Hire Pty Ltd	Australia	100%	–
Tasman Mechanical WA Pty Ltd	Australia	100%	100%
Tasman Power Holdings Pty Ltd	Australia	100%	100%
Tasman Power WA Pty Ltd	Australia	100%	100%

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Name	Country of Incorporation	Ownership Interest 2025 %	Ownership Interest 2024 %
Tasman Recruitment WA Pty Ltd	Australia	100%	100%
Tasman Rope Access Pty Ltd	Australia	100%	100%
Tasman Site Services Pty Ltd	Australia	100%	–
Tasmea Civil Holdings Pty Ltd	Australia	100%	–
Tasmea Corporate Services Pty Ltd	Australia	100%	100%
Tasmea ESP Pty Ltd atf the Tasmea Employee Share Trust	Australia	100%	–
Tasmea Group Pty Ltd	Australia	100%	100%
Tasmea Plant Services Pty Ltd	Australia	100%	100%
Tasmea Properties Pty Ltd	Australia	100%	100%
Technical Lubrication Services (Australasia) Pty Ltd	Australia	100%	100%
Vertex Power & Process Pty Ltd	Australia	100%	–
VTX Group Services Pty Ltd	Australia	100%	–
WCLS Lining Systems Pty Ltd	Australia	100%	–
Westplant Pty Ltd	Australia	100%	–
ACN 125 531 428 Pty Ltd	Australia	100%	100%
ACN 126 470 942 Pty Ltd	Australia	100%	100%

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary with non-controlling interests in accordance with the accounting policy described in note 2:

Name	Country of Incorporation	Parent Ownership Interest 2025 %	Parent Ownership Interest 2024 %	Non-controlling Interest Ownership Interest 2025 %	Non-controlling Interest Ownership Interest 2024 %
Rise Engineering Pty Ltd	Australia	67%	67%	33%	33%

Note 39. 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 Group to gain greater exposure to the Western Australian geomembrane lining market.

The acquired business contributed revenues of $7.2 million and profit after tax of $0.8 million to the consolidated entity for the 11 month period to 30 June 2025. A full-year contribution from WCLS under Tasmea's ownership is expected to be approximately $11.9 million in revenue and $3.1 million in maintainable EBIT.

Goodwill of $9.6 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 have been reassessed since 31 December 2024 for intangible assets as the valuation of Brand Names was completed, deferred tax balances adjusted as a result of the recognition of intangible asset and contingent consideration given further information regarding performance post acquisition. These values are now final as at 30 June 2025.

Notes to the Consolidated Financial Statements continued

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Contingent consideration

As part of the purchase agreement with the previous owners of WCLS, a contingent consideration was 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 30 June 2025, it has been determined that WCLS will not achieve the $4.0 million EBIT threshold for the 12 months ended 31 July 2025 based on performance to date, and accordingly no earnout will be payable for that period. The contingent consideration recognised for the 2025 performance year has been reduced by $1.0 million. It remains probable that the $4.0 million EBIT target for the 12 months ended 31 July 2026 will be met, the estimated range of possible earnout outcomes is from $900,000 to $1,100,000. A contingent liability of $1.0 million, discounted to present value, continues to be recognised in respect of that period.

Details of the acquisition are as follows:

	Fair Value $'000
Inventories	835
Property, plant and equipment	300
Intangible assets	828
Other provisions	(101)
Deferred tax liability	(152)
Net assets acquired	1,710
Goodwill	9,631
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:	
Acquisition-date fair value of the total consideration transferred	11,341
Less: contingent consideration	(1,910)
Net cash used	9,431

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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 $63.0 million and profit after tax of $9.7 million to the consolidated entity for the 10 months ending 30 June 2025. A full-year contribution from Future Engineering Group under Tasmea's ownership is expected to be approximately $87.0 million in revenue and $15.5 million in maintainable EBIT.

Goodwill of $61.4 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 have been reassessed since 31 December 2024 for intangible assets as the valuation of Brand Names and customer contracts was completed, deferred tax balances adjusted as a result of the recognition of intangible asset and finalisation of tax bases which were still under review previously. These values are now final as at 30 June 2025.

Options issued as part consideration

The purchase agreement with the Vendors included shares issued as part of the consideration, which 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.

At 30 June 2025, the derivative liability was measured at $56,890 (Acquisition Date: $5,781,071) and is recognised on the balance sheet, with the movement in fair value since acquisition recognised as a gain in profit or loss.

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 2025 June 30 June 2026 and 30 June 2027. The estimated range of the earnout contingent consideration is between $4.0 million to $7.0 million per year and has no capped amount. As at the acquisition date, the fair value of the contingent consideration was estimated at $15,833,630. As at 30 June 2025, Future Engineering Group key performance indicators indicate that it is probable the contingent consideration will be payable and accordingly the contingent consideration remains recognised in full.

Notes to the Consolidated Financial Statements continued

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Details of the acquisition are as follows:

	Future Engineering & Commun-ications	Future Power WA	Rollwell Engineering	Westplant	Future Engineering Group
$'000	**Fair Value**	**Fair Value**	**Fair Value**	**Fair Value**	**Total**
Cash and cash equivalents	11,814	2,135	402	401	14,752
Trade receivables	4,490	690	1,562	64	6,806
Contract assets	1,573	–	–	–	1,573
Other current assets	235	–	166	6	407
Property, plant & equipment	3,937	133	857	3,819	8,746
Right-of-use assets	742	87	306	–	1,135
Intangible assets	10,050	860	1,051	–	11,961
Deferred tax asset/(liability)	(1,100)	(189)	(321)	–	(1,610)
Trade payables	(7,365)	(318)	(842)	(125)	(8,650)
Provision for income tax	(805)	(172)	196	475	(306)
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	11,215	2,060	1,831	4,640	19,746
Goodwill	51,250	2,388	1,408	6,361	61,407
Acquisition-date fair value of the total consideration	62,465	4,448	3,239	11,001	81,153
Representing:					
Cash paid to vendors	42,904	1,747	315	2,321	47,287
Tasmea Limited shares issued to vendors	2,532	1,835	1,986	5,897	12,250
Derivative liability	1,195	866	938	2,783	5,782
Contingent consideration	15,834	–	–	–	15,834
	62,465	4,448	3,239	11,001	81,153
Acquisition costs expensed to profit or loss					(491)
Cash used to acquire business, net of cash acquired:					
Acquisition-date fair value of the total consideration	62,465	4,448	3,239	11,001	81,153
Less: cash and cash equivalents acquired	(11,814)	(2,135)	(402)	(401)	(14,752)
Less: contingent consideration	(15,834)	–	–	–	(15,834)
Less: shares issued as part of consideration	(2,532)	(1,835)	(1,986)	(5,897)	(12,250)
Less: options issued as part of consideration	(1,195)	(866)	(938)	(2,783)	(5,782)
Net cash used/(received)	31,090	(388)	(87)	1,920	32,535

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Flanco Group

On 1 April 2025, Tasmea Limited wholly owned subsidiary Tasmea Civil Holdings, acquired 100% of Flanco Pty Ltd and Flanco Kalgoorlie Pty Ltd, (collectively the "Flanco Group").

The Flanco Group is primarily a Western Australian concrete civil provider specialising in earthworks, formwork, concrete and reinforcement.

The acquisition of the Flanco Group aligns with Tasmea's strategy to expand its national footprint in essential specialist trade services, and deepening presence in the Kalgoorlie-Boulder region.

The acquired business contributed revenue of $19.7 million and profit after tax of $0.9 million to the consolidated entity for the three month period to 30 June 2025. A full-year contribution from Flanco Group under Tasmea's ownership is expected to be approximately $74.9 million in revenue and $10.2 million in maintainable EBIT.

Goodwill of $26.8 million is primarily related to growth expectations, expected future profitability, and expected cost synergies. Goodwill has been allocated to the Civil cash-generating unit. The values identified in relation to the acquisition of the Flanco Group are provisional as at 30 June 2025 pending further review of completion accounts and working capital adjustments as well as further assessment of final contingent consideration. The Group expects to finalise the purchase price allocation within 12 months of the acquisition date.

Options issued as part consideration

The purchase agreement with the Vendors included shares issued as part of the consideration, which are subject to an escrow period commencing on the issue of the shares and ending on the 30 April 2026. 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 $3.50 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.

At 30 June 2025, the derivative liability was measured at $1.0 million (Acquisition Date: $1.9 million) and is recognised on the balance sheet, with the movement in fair value since acquisition recognised as a gain in profit or loss.

Contingent consideration

As part of the purchase agreement with the previous owners of the Flanco Group, a contingent consideration was agreed.

Additional cash payments of $3.0 million will be made for each of the 12-month periods ending 31 March 2026, 31 March 2027 and 31 March 2028 in which the Flanco Group achieves an EBIT of at least $12.0 million. For the 12-month periods ending 31 March 2026, 31 March 2027, 31 March 2028 and 31 March 2029, an earnout uplift of $0.60 will be paid for every $1.00 by which EBIT exceeds $12.0 million, and an overperformance amount of $0.15 will be paid for every $1.00 by which EBIT exceeds $18.0 million. Where EBIT is below $12.0 million, the earnout amount is reduced on a dollar-for-dollar basis, with no earnout payable where EBIT is $9.0 million or less.

As at the acquisition date, the fair value of the contingent consideration was estimated to be $23.6 million. As at 30 June 2025, Flanco Group's key performance indicators indicate it is probable that the contingent consideration will be payable.

Notes to the Consolidated Financial Statements continued

Details of the acquisition are as follows:

	Flanco	Flanco Kalgoorlie	Flanco Group
$'000	**Fair Value**	**Fair Value**	**Total**
Cash and cash equivalents	1,990	2,438	4,428
Trade receivables	2,431	5,005	7,436
Contract assets	155	837	992
Deferred tax asset/(liability)	151	(2,198)	(2,047)
Other current assets	163	56	219
Property, plant & equipment	3,581	2,728	6,309
Right-of-use assets	421	–	421
Intangible assets	6,233	6,232	12,465
Trade payables	(655)	(1,854)	(2,509)
Provision for income tax	(677)	(865)	(1,542)
Provisions	(400)	(305)	(705)
Lease liability	(421)	–	(421)
Other liabilities	–	(643)	(643)
Net assets acquired	12,972	11,431	24,403
Goodwill	12,415	13,955	26,370
Acquisition-date fair value of the total consideration transferred	25,387	25,386	50,773
Representing:			
Cash paid to vendors	10,382	10,382	20,764
Tasmea Limited shares issued to vendors	2,229	2,228	4,457
Derivative liability	947	947	1,894
Contingent consideration	11,829	11,829	23,658
	25,387	25,386	50,773
Acquisition costs expensed to profit or loss			(296)
Cash used to acquire business, net of cash acquired:			
Acquisition-date fair value of the total consideration transferred	25,387	25,386	50,773
Less: cash and cash equivalents acquired	(1,990)	(2,438)	(4,428)
Less: contingent consideration	(11,829)	(11,829)	(23,658)
Less: shares issued as part of consideration	(2,229)	(2,228)	(4,457)
Less: options issued as part of consideration	(947)	(947)	(1,894)
Net cash used	8,392	7,944	16,336

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Vertex Group

On 1 June 2025, Tasmea Limited's wholly owned subsidiary ICE Engineering & Construction Holdings acquired 100% of Vertex Power and Process Pty Ltd and VTX Group Services Pty Ltd, (collectively the "Vertex Group").

The Vertex Group is primarily an electrical services provider specialising in high voltage services and providing end-to-end pumping and portable power solutions to utilities, mining, agriculture and renewables industries across regional and remote areas of Western NSW, Victoria, and South Australia.

The acquisition of the Vertex Group positions Tasmea to capitalise on the rapidly growing electrification demand in Australia by adding specialist trade service provers in the electrification industry and complements the Group's existing service offerings allowing for vertical integration of services.

The acquired business contributed revenues of $1.2 million and profit after tax of $43,000 to the consolidated entity for the one month period to 30 June 2025. A full-year contribution from Vertex Group under Tasmea's ownership is expected to be approximately $14.1 million in revenue and $2.5 million in maintainable EBIT.

Goodwill of $6.7 million is primarily related to growth expectations, expected future profitability, and expected cost synergies. Goodwill has been allocated to the Electrical Services and Water and Fluid cash-generating unit. The values identified in relation to the acquisition of the Vertex Group are provisional as at 30 June 2025 pending further review of completion accounts and working capital adjustments as well as further assessment of final contingent consideration. The Group expects to finalise the purchase price allocation within 12 months of the acquisition date.

Options issued as part consideration

The purchase agreement with the Vendors included shares issued as part of the consideration, which are subject to an escrow period commencing on the issue of the shares and ending on the 31 May 2026. 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 $3.50 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.

At 30 June 2025, the derivative liability was measured at $0.4 million (Acquisition Date: $0.7 million) and is recognised on the balance sheet, with the movement in fair value since acquisition recognised as a gain in profit or loss.

Contingent consideration

As part of the purchase agreement with the previous owners of the Vertex Group, a contingent consideration arrangement was agreed. Additional cash payments of $0.9 million will be made for each of the 12-month periods ending 30 2026 June 30 June 2027 and 30 June 2028 in which the Vertex Group achieves an EBIT of at least $2.75 million. An overperformance amount of $0.10 will also be paid for every $1.00 by which EBIT exceeds $2.75 million. Where EBIT is below $2.75 million, the earnout amount is reduced on a dollar-for-dollar basis, with no earnout payable where EBIT is $1.8 million or less.

At the acquisition date, the fair value of the contingent consideration was estimated at $2,718,420. As at 30 June 2025, Vertex Group's key performance indicators indicate it is probable that the contingent consideration will be payable.

Notes to the Consolidated Financial Statements continued

Details of the acquisition are as follows:

$'000	Vertex Power & Process Fair Value	VTX Group Services Fair Value	Vertex Group Fair Value
Cash and cash equivalents	663	236	899
Trade receivables	1,489	704	2,193
Contract assets	124	85	209
Inventories	592	462	1,054
Other current assets	161	2	163
Property, plant & equipment	563	231	794
Right-of-use assets	1,160	101	1,261
Intangible assets	1,050	300	1,350
Deferred tax asset/(liability)	(225)	1	(224)
Trade payables	(530)	(165)	(695)
Provision for income tax	(38)	(14)	(52)
Lease liability	(1,378)	(108)	(1,486)
Other liabilities	(727)	(404)	(1,131)
Net assets acquired	2,904	1,431	4,335
Goodwill	2,599	4,071	6,670
Acquisition-date fair value of the total consideration transferred	5,503	5,502	11,005
Representing:			
Cash payable to vendors at settlement	2,762	2,762	5,524
Tasmea Limited shares to issue to vendors	1,036	1,036	2,072
Derivative liability	346	345	691
Contingent consideration	1,359	1,359	2,718
	5,503	5,502	11,005
Acquisition costs expensed to profit or loss			(63)
Cash used to acquire business, net of cash acquired:			
Acquisition-date fair value of the total consideration transferred	5,503	5,502	11,005
Less: Cash payable to vendors at settlement	(2,762)	(2,762)	(5,524)
Less: shares to be issued to vendors at settlement	(1,036)	(1,036)	(2,072)
Less: options issued as part of consideration	(346)	(345)	(691)
Less: contingent consideration	(1,359)	(1,359)	(2,718)
Less: cash and cash equivalents acquired	(663)	(236)	(899)
Net cash received as at 30 June 2025	(663)	(236)	(899)

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Reconciliation of cash flows in relation to FY25 business combinations:

	Consolidated	
	2025 $'000	2024 $'000
Net outflow in relation to the acquisition of West Coast Lining Systems	(9,431)	–
Net outflow in relation to the acquisition of Future Engineering Group	(32,535)	–
Net outflow in relation to the acquisition of Flanco Group	(16,336)	–
Net inflow in relation to the acquisition of Vertex Group	899	–
Net outflow in relation to prior year acquisitions	–	(33,384)
Net cash flows for purchases of controlled entities	**(57,403)**	**(33,384)**

Reconciliation of deferred consideration payable in relation to business combinations:

	Consolidated	
	2025 $'000	2024 $'000
Current deferred consideration payable in relation to the acquisitions of:		
Vertex Group – cash	5,524	–
Vertex Group – shares	2,072	–
Total current deferred consideration payable at settlement	7,596	–
Current contingent consideration payable in relation to the acquisitions of:		
Future Engineering Group	4,250	–
Forefront Services	1,150	1,150
Dingo Concrete Services	–	500
Sigma Power Services	–	200
Total current contingent consideration payable	5,400	1,850
Non-current contingent consideration payable in relation to the acquisitions of:		
Vertex Group	2,718	–
Flanco Group	23,659	–
Future Engineering Group	11,584	–
West Coast Lining Systems	910	–
Forefront Services	2,145	3,144
Total non-current contingent consideration payable	41,016	3,144
Total deferred consideration payable as at 30 June	**54,012**	**4,994**

Accounting policy for business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

Notes to the Consolidated Financial Statements continued

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On the acquisition of a business, the Group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the Group remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss.

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 to the contingent consideration ie where the lowest level input that is significant to the fair value measurement is unobservable.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The Group retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the Group receives all the information possible to determine fair value.

Note 40. Parent Entity Information

As at, and throughout the financial year ending 30 June 2025, the parent company of the group was Tasmea Limited.

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Consolidated	
	2025 $'000	**2024 $'000**
Profit for the year	17,918	7,103

Statement of financial position

	Consolidated	
	2025 $'000	**2024 $'000**
Current assets	2,452	3,930
Non-current assets	100,591	156,166
Current liabilities	(23,090)	(10,300)
Non-current liabilities	(9,416)	(106,491)
	70,537	43,305

	Consolidated	
	2025	2024
Share capital	176,296	119,006
Reserves	1,224	–
Accumulated losses	(106,983)	(75,701)
	70,537	43,305

Contingent liabilities

The parent entity has no contingent liabilities and no capital commitments for property, plant and equipment for the years ended 30 June 2025 and 30 June 2024.

The Company as part of financing facilities has provided a number of standard representations, warranties and undertakings (including financial and reporting obligations) in favour of the respective lenders. The facilities also include a cross-guarantee between the Company and all group subsidiaries with staged security enforcement rights and obligations.

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity;
- Investments in associates are accounted for at cost, less any impairment, in the parent entity; and
- Dividends received from subsidiaries are recognised as other income by the parent entity.

Note 41. Related Party Transactions

Parent and ultimate controlling entity

The ultimate controlling entity of the Group is Tasmea Limited.

Subsidiaries

Interests in subsidiaries are set out in note 38.

Key management personnel

Disclosures relating to key management personnel are set out in note 42 and the remuneration report included in the directors' report.

Transactions with related parties

Regent Street Pty Ltd (Regent Street) is an associated entity of Stephen Young and Mark Vartuli. Equity & Advisory Limited is an associated entity of Stephen Young, Mark Vartuli and Simone Thompson. The following related party transactions with these entities occurred during the year ended 30 June 2025. The terms and conditions of the transactions and the associated agreements to which they relate are at arm's length and on normal commercial terms.

(i) Regent Street – Northfield premises

Regent Street entered into a five-year lease with Heavymech Pty Ltd for the Northfield premises, commencing 15 February 2020 at $10,500 per month (plus GST). Upon expiry, a six-month lease was entered into from 15 February 2025 at $13,106 per month (exclusive of GST), with rolling six-month renewal options until termination on Heavymech's relocation to the Edinburgh Park premises.

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Notes to the Consolidated Financial Statements continued

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(ii) Regent Street – Mt Isa premises

Regent Street entered into a five-year lease agreement with Heavymech Pty Ltd for the Mount Isa premises, commencing 1 August 2022 at $5,955 per month (excluding GST), expiring 31 July 2027.

(iii) Regent Street – Edinburgh Park premises

Regent Street has lease agreements with several Tasmea subsidiaries for its property at Kaurna Avenue, Edinburgh Park, as follows:

- **Heavymech Pty Ltd** – Bay 1, 5,000 sqm hard stand, desks and offices in shared office space, and carparks, at $19,549.17 per month, effective from 1 April 2023. Lease commenced 1 April 2023 for nine months, with a six-month renewal option thereafter unless terminated under the lease terms. The lease was renewed at the end of the initial term.
- **Fabtech Australia Pty Ltd** – Bay 2, 1,000 sqm hard stand, desks in shared office space, and carparks, at $17,274.58 per month. Lease commenced 1 March 2023 for nine months, with a six-month renewal option thereafter unless terminated under the lease terms. The lease was renewed at the end of the initial term.
- **Quarry & Mining Manufacture Pty Ltd** – Bay 3, desks and offices in shared office space, 5,000 sqm hard stand, and 20 carparks, at $22,988.96 per month. Lease commenced 1 February 2023 for nine months, with a six-month renewal option thereafter unless terminated under the lease terms. The lease was renewed at the end of the initial term.
- **A. Noble & Son Pty Ltd** – 2,000 sqm in Bay 4, desks and offices in shared office space, carparks, and an outdoor shed, at $17,912.29 per month. Lease commenced 1 October 2022 for nine months, with a six-month renewal option thereafter unless terminated under the lease terms. The lease was renewed at the end of the initial term.

(iv) Shared Services Agreement between Tasmea Corporate Services and Equity & Advisory Limited

Tasmea Corporate Services Limited, a wholly owned subsidiary of Tasmea Limited, has a shared services agreement with Equity & Advisory Limited under which each party provides services to the other at agreed rates reflective of service delivery costs. The arrangement ensures full cost recovery so that neither party is unduly advantaged. Directors Stephen Young and Mark Vartuli, and Company Secretary Simone Thompson, are directors of Equity & Advisory Limited. SY & MV Pty Ltd, an entity associated with Messrs Young and Vartuli, holds 47.48% of Equity & Advisory Limited.

For the year ended 30 June 2025, Tasmea Corporate Services invoiced Equity & Advisory $239,410 (excluding GST) under the agreement, including approximately $12,000 per month for services and additional recharged costs.

Equity & Advisory also acted as corporate adviser to Tasmea Limited in relation to corporate advisory and business acquisitions, invoicing Tasmea Corporate Services $379,618 (excluding GST) during the year.

(v) Sale of property

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 30 June 2025.

Pryde Corporation Pty Ltd is an associated entity of Jason Pryde. The following related party transactions with this entity occurred during the year ended 30 June 2025. The terms and conditions of the transactions and the associated agreement to which they relate are at arm's length and on normal commercial terms.

(vi) Pryde Corporation – Jandakot premises

Pryde Corporation Pty Ltd entered into a five year lease agreement with Tasman Power WA Pty Ltd to lease the Jandakot premises from 6 June 2021 for $18,000 per month (exclusive of GST), increasing by 4.0% per annum.

GR Engineering Limited (ASX:GNG) is an associated entity of Joe Totaro. The following related party transactions with this entity are disclosed from 1 April 2025, being the date the Group acquired Flanco Civil Pty Ltd and Flanco Kalgoorlie Pty Ltd, and 30 June 2025. All transactions and associated agreements were conducted on an arm's length basis and on normal commercial terms.

(vii) Transactions with GR Engineering Limited

During the period from 1 April 2025 to 30 June 2025, Flanco Civil Pty Ltd and Flanco Kalgoorlie Pty Ltd provided civil engineering services to GR Engineering Limited. Sales revenue of $5,077,117 (inclusive of GST) was invoiced, and $4,813,945 was receivable at 30 June 2025.

The following transactions occurred with related parties:

	Consolidated	
	2025 $	2024 $
Sale of goods and services:		
Sale of services to Equity & Advisory Limited	239,410	294,068
Sale of services to GR Engineering Services Limited	5,077,117	–
Payment for goods and services:		
Payment for services from Equity & Advisory Limited	379,618	1,062,805
Payment of rent and outgoings to Regent Street Pty Ltd	1,330,394	1,130,160
Payment of rent to Pryde Corporation Pty Ltd	230,597	224,640

Amounts payable to related parties

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

	Consolidated	
	2025 $	2024 $
Current receivables:		
Trade receivables from Equity & Advisory Limited	27,593	–
Trade receivables from GR Engineering Services Limited	4,813,945	–
Current payables:		
Dividends payable to related parties	–	3,077,705
Rent payable to related parties	155,172	541,000
Trade payable to Equity & Advisory Limited	23,717	286,388
Trade payable to other related parties	30,739	35,000

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.

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Notes to the Consolidated Financial Statements continued

Note 42. Key Management Personnel Disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the Group is set out below:

	Consolidated	
	2025 $	**2024 $**
Short-term employee benefits	3,554,065	2,953,034
Post-employment benefits	168,927	169,879
Long-term benefits	8,674	44,336
Share-based payments	439,725	–
	4,171,391	3,167,249

The increase in total remuneration compared to the prior year primarily reflects the appointment of an additional Executive Director, Trent Northover, in January 2025.

Note 43. Commitments

	Consolidated	
	2025 $'000	**2024 $'000**
Capital commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Property, plant and equipment	–	–
Short Term Lease commitments – operating		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	501	300
Lease commitments – finance		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	443	12

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Note 44. Contingent Liabilities

The Group had contingent liabilities in respect of:

	Consolidated	
	2025 $'000	2024 $'000
Bank guarantee facilities		
Amount used	13,886	6,048
Amount available	14,014	4,152
	27,900	10,200

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.

	Consolidated	
	2025 $'000	2024 $'000
Business acquisition costs		
Acquisition costs relating to the purchase of Groundbreaking Mining Solutions	2,000	4,000
	2,000	4,000

A deferred consideration has been agreed with the previous owners of GM, which is also linked to their continuing employment. Additional cash payments of up to $2.0 million per year for each of the 2024, 2025 and 2026 where GMS achieves its EBITDA target. As at 30 June 2025, it is not probable that the 2025 EBITDA target will be achieved and no liability has been recorded. The payment for 2026 is considered a contingent liability as at 30 June 2025.

Note 45. Remuneration of Auditors

During the financial year the following fees were paid or payable for services provided by the auditor of the Company:

	Consolidated	
	2025 $	2024 $
Audit services		
Audit or review of the financial statements (2025: EY; 2024: Grant Thornton)	423,500	506,000
Other services		
Tax services (2025: EY; 2024: Grant Thornton)	–	165,755
Financial due diligence – Tax and Investigating Accounting (2025: EY; 2024: Grant Thornton)	–	421,485
	–	587,240
	423,500	1,093,240

Notes to the Consolidated Financial Statements continued

Note 46. Events after the Reporting Period

Issue of Shares

On 24 July 2025, Tasmea Limited issued an additional 75,809 ordinary shares, with a fair value of $216,055, to senior employees participating in the Bonus Share Plan.

Completion of Vertex Acquisition

On 24 July 2025, Tasmea Limited completed the acquisition of the Vertex Group, comprising Vertex Power & Process Pty Ltd and VTX Group Services Pty Ltd. The acquisition was funded through a $6.0 million drawdown on its Bank SA facility to fund the upfront cash payment to the vendors and the issue of 714,286 fully paid ordinary shares as part consideration to the vendors. Further details on the acquisition are provided in note 39.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

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Consolidated entity disclosure statement

As at 30 June 2025

Entity Name	Entity Type	Country of Incorp-oration	Trustee, Partner, or JV	Share of Interest %	Tax Resid-ency	Foreign Tax Juris-diction
Tasmea Limited	Body Corporate	Australia	n/a	–	Australia	n/a
A. Noble & Son Limited	Body Corporate	Australia	n/a	100%	Australia	n/a
AusPress Holdings Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
AusPress MEI Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
AusPress Systems Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Dingo Concrete Services Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Fabtech Holdings Pty Limited	Body Corporate	Australia	n/a	100%	Australia	n/a
Fabtech Australia Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Flanco Civil Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Flanco Kalgoorlie Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Future Engineering & Communication Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Future Engineering Group Holdings Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Future Power WA Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Groundbreaking Mining Solutions Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Heavymech Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
ICE Engineering & Construction Holdings Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
ICE Engineering & Construction Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Laptek Systems Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
M&B Civil Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
MGW Engineering Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Moxstar Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
NWMC Mining & Civil Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Quarry & Mining Manufacture Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Quarry Mining & Manufacture (USG) Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Rise Engineering Pty Ltd	Body Corporate	Australia	n/a	67%	Australia	n/a
Rollwell Engineering Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Sigma Power Services Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Starboard Tack Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Tasman Asset Management Services Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Tasman Labour Hire Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Tasman Mechanical WA Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Tasman Power Holdings Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Tasman Power WA Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Tasman Recruitment WA Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Tasman Rope Access Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Tasman Site Services Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Tasmea Civil Holdings Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Tasmea Corporate Services Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a

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Notes to the Consolidated Financial Statements continued

Entity Name	Entity Type	Country of Incorp-oration	Trustee, Partner, or JV	Share of Interest %	Tax Resid-ency	Foreign Tax Juris-diction
Tasmea ESP Pty Ltd atf the Tasmea Employee Share Trust	Trustee Company	Australia	Yes	100%	Australia	n/a
Tasmea Group Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Tasmea Plant Services Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Tasmea Properties Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Technical Lubrication Services (Aust.) Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Vertex Power & Process Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
VTX Group Services Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
WCLS Lining Systems Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Westplant Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Yura Yarta Services Pty Ltd	Body Corporate	Australia	n/a	49%	Australia	n/a
ACN 125 531 428 Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
ACN 126 470 942 Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a

Basis of Preparation

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the *Corporations Act 2001* and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.

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Directors' Declaration

30 June 2025

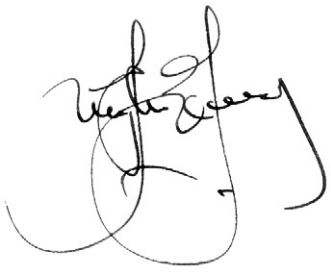
In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct as at 30 June 2025.

The directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the directors



Stephen E Young
Managing Director



Mark G Vartuli
Executive Director

24 August 2025

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Independent Auditor's Report

to the members of Tasmea Limited

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Ernst & Young
121 King William Street
Adelaide SA 5000 Australia
GPO Box 1271 Adelaide SA 5001

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Fax: +61 8 8417 1775
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Independent auditor's report to the members of Tasmea Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Tasmea Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2025 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

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Recognition of revenue

Why significant	How our audit addressed the key audit matter
The Group recognised revenue totaling $547.9 million for the year 30 June 2025. $508.8 million or 92.9% of this revenue is derived through the rendering of services from long-term contracts as disclosed in Note 5. Recognition of revenue from services is recognised over time determined by the percentage of costs incurred and requires significant management judgement, including: ▪ Determining the stage of completion under each contract or individual purchase order; ▪ Determining contractual entitlement, including assessment of customer approval of any variations; and ▪ Estimating the total contract costs, or in some cases, the total time or materials. Accordingly, this was considered a key audit matter.	Our audit procedures included, but were not limited to: Evaluating the design of management's processes and relevant controls over the recognition of contract revenue. Selecting a sample of contracts and recalculating revenue recognised by: ▪ Agreeing contractual entitlements to approved customer contracts, purchase orders and variation orders; ▪ Evaluating forecast costs to complete through discussion/inquiry with project managers and senior finance staff and retrospective review against original budgets; ▪ Testing a sample of costs recorded and agreeing to supporting documentation; ▪ Reviewing subsequent period data for evidence of any significant margin changes that should be adjusted at 30 June 2025; and ▪ Assessing the adequacy and appropriateness of disclosures included in the Notes to the financial statements.

Business Combinations

Why significant	How our audit addressed the key audit matter
During the year ended 30 June 2025, the Group entered into several business combinations, which are significant to the Group's consolidated financial statements as disclosed in Note 39. Business combinations are complex transactions that require management to exercise considerable judgment and apply accounting estimates to determine the appropriate recognition and measurement of consideration	Our audit procedures in relation to the Group's accounting for business combinations included, but were not limited to: ▪ Obtaining an understanding of management's process for identifying, approving, and accounting for business combinations. ▪ Evaluating the appropriateness of the accounting policies applied to business combinations, in accordance with the

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Why significant	How our audit addressed the key audit matter
transferred, identifiable assets acquired and liabilities assumed. Furthermore, determining the fair value of these assets and liabilities, including intangible assets such as customer relationships and brand value, involves the use of assumptions and estimates that are inherently subjective. Due to the significance of these transactions and the level of judgment required, we considered this to be a key audit matter.	requirements of AASB 3 – *Business Combinations*. ▪ Assessing the terms and conditions of the acquisition agreements to identify the date of acquisition, the consideration transferred, and any contingent payments or indemnities. ▪ Testing management's calculations of the consideration transferred and the fair value of identifiable assets and liabilities acquired, including the review of management's valuation methodologies and assumptions. ▪ Involving our internal valuation specialists to independently assess the key assumptions and methodologies used by management to determine the fair values of significant assets acquired and liabilities assumed. ▪ Assessing the adequacy and appropriateness of disclosures included in the Notes to the financial statements regarding the business combinations, including the rationale for the acquisitions and the impact on the Group's financial position and performance.

Impairment assessment of goodwill

Why significant	How our audit addressed the key audit matter
As at 30 June 2025, the Group's goodwill totals $192.3 million and is a significant component of the Group's assets as disclosed in Note 23. The annual impairment assessment of goodwill is inherently complex and requires significant judgment involved in forecasting future cash flows, determining appropriate discount rates, and estimating long-term growth assumptions, all of which are subject to estimation uncertainty. Small changes in these assumptions can have a material impact on the evaluation of goodwill.	Our audit procedures included, but were not limited to: ▪ Evaluating the Group's process for identifying indicators of impairment and for performing the annual goodwill impairment assessment. ▪ Assessing the reasonableness of management's key assumptions, including cash flow projections, discount rates, and long-term growth rates, by comparing them to historical

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Why significant	How our audit addressed the key audit matter
Accordingly, this was considered a key audit matter.	performance, industry data, and external economic forecasts. ▪ Involving our valuation specialists to assess the appropriateness of the methodologies and model used for impairment testing. ▪ Testing the mathematical accuracy of the underlying calculations in the impairment models. ▪ Assessing the adequacy and appropriateness of the disclosures included in the Notes to the financial statements.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2025 annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001;* and

for such internal control as the directors determine is necessary to enable the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

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Independent Auditor's Report continued

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- The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and

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review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 9 to 20 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Tasmea Limited for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

David Sanders
Partner
Adelaide
24 August 2025

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Shareholder Information

30 June 2025

The shareholder information set out below was applicable as at 30 June 2025.

Distribution of Equitable Securities

Analysis of number of equitable security holders by size of holding:

	Ordinary Shares		Options Over Ordinary Shares	
	Number of Holders	% of Total Shares Issued	Number of Holders	% of Total Shares Issued
1 to 1,000	531	0.10	–	–
1,001 to 5,000	834	0.95	–	–
5,001 to 10,000	453	1.42	–	–
10,001 to 100,000	622	7.88	–	–
100,001 and over	145	89.65	–	–
	2,585	100.00	–	–
Holding less than a marketable parcel	–	–	–	–

Equity Security Holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Number Held	Ordinary Shares % of Total Shares Issued
Port Tack Pty Ltd	93,347,491	38.39
Vars Enterprises Pty Ltd	42,437,036	17.45
Citicorp Nominees Pty Limited	6,729,542	2.77
BNP Paribas Nominees Pty Ltd	6,280,850	2.58
HSBC Custody Nominees (Australia) Limited	5,496,068	2.26
Stephen Young	3,767,858	1.55
Mr Jason Frank Pryde	3,326,607	1.37
JP Morgan Nominees Australia Pty Limited	2,648,666	1.09
Maresa Pty Ltd	2,563,789	1.05
Tasmea ESP Pty Ltd	2,236,466	0.92
Mark Alan McDonnell	2,150,968	0.88
Barmera Marine Pty Ltd	2,084,211	0.86
Obenox Pty Ltd	2,062,050	0.85
UBS Nominees Pty Ltd	1,944,566	0.80
Mr Dino Talavanic	1,634,666	0.67
Casney Pty Ltd	1,410,422	0.58
Killilan Pty Ltd	1,213,163	0.50
Mr Alistair Alan Tresillian Walsh	1,101,966	0.45
Pryde Super Pty Ltd	1,094,340	0.45
Mark Gabriel Vartuli	1,066,989	0.44
	184,597,714	75.91

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Unquoted equity securities

	Number on Issue	Number of Holders
Options over ordinary shares issued	3,000,000	1

Substantial Holders

Substantial holders in the Company are set out below:

	Ordinary shares	
	Number Held	% of Total Shares Issued
Stephen Young, Port Tack Pty Ltd, Maresa Pty Ltd	99,679,138	41.00
Mark Vartuli, Vars Enterprises Pty Ltd	43,662,086	17.96

Voting Rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

Securities Subject to Voluntary Escrow

Class	Expiry Date	Number of Shares
TEA Voluntary Escrow (17 months)	29 September 2025	134,686,827
TEA Voluntary Escrow (12 months)	30 April 2026	1,714,286
		136,401,113

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Corporate Directory

30 June 2025

ACN

088 588 425

Notice of Annual General Meeting

The 2025 Annual General Meeting of Tasmea Limited will be on Wednesday 19 November 2025. Further details will be published in due course.

Registered Office

75 Verde Drive
Jandakot WA 6164

Principal Place of Business

Western Australia, South Australia, Queensland, Victoria and New South Wales

Auditor

Ernst & Young

Bankers

Bank SA, a division of Westpac Banking Corporation.

Stock Exchange Listing

Tasmea Limited shares are listed on the Australian Securities Exchange (ASX code: TEA).

Website

www.tasmea.com.au

Share Register

MUFG Corporate Markets (AU) Limited
Level 41, 161 Castlereagh Street
Sydney NSW 2000

www.mpms.mufg.com

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