Tasmea Limited

ABN 22 088 588 425

Annual Financial Report - 30 June 2026

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 places of business are:

Registered office	**Principal places of business**
75 Verde Drive Jandakot Western Australia	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 27 August 2026. The directors have the power to amend and reissue the financial statements.

Chairman's Letter

Dear Shareholders,

On behalf of the Board, I am pleased to present Tasmea Limited's Annual Financial Report for the year ended 30 June 2026 (FY26). FY26 was a landmark year for Tasmea – a year of record financial performance, disciplined portfolio expansion, and continued investment in the safety, governance and incentive frameworks that underpin our long-term growth.

The Group delivered statutory revenue of $1,293.3 million, statutory Earnings Before Interest and Tax of $115.3 million and statutory Net Profit After Tax of $71.3 million, each ahead of the guidance provided at the start of the year. Remarkably, these record results were achieved despite instances of project deferrals and delays.

I am particularly pleased to report that these results were achieved while preserving Tasmea's strong safety record and I congratulate the entire Tasmea team for maintaining its prime focus on safety throughout a period of rapid operational growth.

Governance and Stewardship

The Board's role is to protect and enhance shareholder value by setting strategy, overseeing risk, and ensuring disciplined capital allocation. FY26 was one of the most active years in Tasmea's history for organisational growth and capital management: we completed the acquisition of Vertex Group in July 2025, an institutional placement of $43.0 million in September 2025 to fund our acquisition pipeline, and the $62.0 million acquisition of WorkPac Group in December 2025, which established Workforce Solutions as our fifth reportable segment.

This disciplined approach to capital allocation has continued since year end, with the Board approving the acquisitions of Maxim Group (completed in July 2026) and JPS Group (completed in August 2026), further extending the Group's specialist service capabilities as we commence FY27.

The Board also oversaw the Group's first financial disclosures under AASB S2 Climate-Related Disclosures (published alongside this Annual Report), and continued to build a genuinely engaged workforce, incentivising our people and giving them the opportunity to become shareholders through our Long Term Incentive (LTI) Program, Option Incentive Plan and Employee Share Ownership Plan, across a Group that now employs more than 8,000 people.

Shareholder Value and Returns

Tasmea delivered statutory revenue of $1,293.3 million (up 136.0% on FY25), statutory EBIT of $115.3 million (up 55.0%) and statutory NPAT of $71.3 million (up 34.3%), with statutory EPS of 27.8 cents (up 19.8%).

On the underlying basis on which our FY26 guidance was set, EBITA of $118.1 million and NPATA of $73.7 million were both ahead of the earnings guidance.

During the year, the Board declared a fully franked interim dividend of 6.0 cents per share (up 20% on FY25) and a fully franked special dividend of 10.0 cents per share, paid in June 2026, reflecting the Group's strong cash generation. On 27 August 2026, the Board declared a fully franked final dividend of 8.5 cents per share, bringing total fully franked dividends for FY26 to 24.5 cents per share, together with the applicable record date, payment date and Dividend Reinvestment Plan arrangements. This result again demonstrates the resilience of our owner-operator, recurring, specialist services model.

Long Term Strategic Direction

Tasmea remains founder-led, with deep insider ownership and growing participation in long-term incentive plans across our leadership team - an alignment we consider a genuine competitive strength. We enter FY27 with a record secured and recurring work pipeline and clear priorities to:

- compound organic growth through self-perform capability and cross-selling across our five operating segments;
- pursue disciplined, programmatic acquisitions that expand our specialist capability and end-market exposure, as demonstrated by the Maxim Group and JPS Group acquisitions completed since year end; and
- maintain a disciplined balance sheet to preserve flexibility and resilience as we scale.

This combination of organic growth and disciplined programmatic acquisitions is a deliberate compounding strategy: strong operating cash generation from our existing businesses funds continued investment in self-perform capability and new acquisitions, which in turn expand our earnings base and support the next phase of growth. Since listing on the ASX in April 2024, Tasmea has completed a series of programmatic acquisitions which have been integrated into our existing platform and each contributing to a track record of consistent, repeatable growth. We expect this flywheel of reinvested cash flow, expanding scale and disciplined capital allocation to continue compounding shareholder value over the long term.

Confidence in Execution

Since year end, Tasmea has continued to execute at pace, completing the acquisition of Maxim Group (completed 1 July 2026), a market-leading specialist electrical contractor with strong exposure to the data centre and battery energy storage system (BESS) markets, and JPS Group (completed 3 August 2026), a leading integrated services provider to Australia's LNG and energy sector – together representing up to $329 million of further growth investment, subject to achievement of earnout hurdles.

Reflecting this momentum, the Board provided the market with FY27 guidance of underlying EBITA of $202–208 million and underlying NPATA of $128–132 million, growth of more than 70% on FY26. We are pleased to announce we are upgrading to EBITA $205-210 million. Tasmea's founders and Executive Directors remain among our largest shareholders, underlining their confidence in our strategy, our model and the opportunities ahead.

On behalf of the Board, I thank our executive team, our now more than 8,000 employees across the Group – including our newest colleagues at WorkPac – our customers and partners, and our shareholders, for your continued trust and support. We look forward to integrating both the Maxim and JPS businesses and discussing our progress with you at the FY26 Annual General Meeting.

Joe Totaro
Chairman, Tasmea Limited

Managing Director and Chief Executive Officer's Report

Dear Shareholders,

FY26 was a year of executing with excellence for Tasmea. We delivered record earnings, established Workforce Solutions as our fifth operating segment through the acquisition of WorkPac Group, continued to execute our programmatic acquisition compounding strategy, and extended our reach into new end-markets with strong tailwinds – all while maintaining our focus on safety, operational delivery and disciplined capital management. Excitingly, Tasmea announced two acquisitions in June 2026 which have subsequently been settled.

FY26 Financial Highlights

As Tasmea's unique twin pillar Organic Growth and Programmatic Acquisition strategy generates one-off transaction, integration and non-cash amortisation costs that are not reflective of the Group's ongoing trading performance, the Board considers underlying results to be the most appropriate basis on which to assess the Group's financial performance.

- Reported Revenue: $1,293.3 million, up 136.0% on prior year
- Underlying EBITA: $118.1 million, up 54.3% on prior year
- Underlying NPATA: $73.7 million, up 42.5% on prior year
- Earnings Per Share: 27.8 cents per share, up 19.8% on prior year

The Board declared a fully franked interim dividend of 6.0 cents per share (up 20% on FY25) and a fully franked special dividend of 10.0 cents per share paid in June 2026 – together totalling 16.0 cents per share fully franked to date.

On 27 August 2026, the Board declared a fully franked final dividend of 8.5 cents per share, bringing total fully franked dividends for FY26 to 24.5 cents per share, together with the applicable record date, payment date and Dividend Reinvestment Plan terms.

Performance Overview - Quality of Earnings

Tasmea's core trade businesses remain anchored to its high recurring revenue model of essential maintenance and brownfield upgrade services delivered under long-term Master Service Agreements (MSAs), Panel Contracts and Facilities Management Agreements (FMAs), underpinned by high customer retention and repeat work.

The addition of WorkPac Group from 1 December 2025 has materially changed the shape of our revenue base: Workforce Solutions now represents approximately 47.7% of Group revenue, with our four specialist trade segments – Electrical, Mechanical, Civil and Water & Fluid – together contributing the balance.

This mix shift is the primary driver of the movement in Group gross margin, from 29.2% in FY25 to 19.4% in FY26: labour hire is, by nature, a higher-revenue, lower-gross-margin business than our specialist trade services, and this does not reflect any deterioration in the underlying quality or profitability of our core trade businesses, which continue to sustain margins. Consistent with our specialist service offerings, increasing cross selling revenue synergies, improved operating leverage as a consequence of the revenue growth being delivered and adoption of Artificial Intelligence to reduce existing and additional headcount and delivery of acquisition cost synergies.

Executing Our Strategy — Organic Growth and Programmatic Acquisitions

FY26 was one of the most active years in Tasmea's history for portfolio growth. In July 2025, we completed the acquisition of Vertex Group (Vertex Power & Process Pty Ltd and VTX Group Services Pty Ltd), enhancing our high-voltage capability and portable power and pumping solutions. In September 2025, we completed a $43.0 million institutional placement to fund our acquisition pipeline and growth strategy.

On 1 December 2025, we completed the $62.0 million acquisition of WorkPac Group, one of Australia's leading workforce solutions providers, establishing Workforce Solutions as a new, fifth reportable segment and significantly enhancing our ability to source, mobilise and deploy skilled labour at scale across our specialist skilled trade services businesses in our Electrical, Mechanical, Civil and Water & Fluid segments. WorkPac's existing receivables purchase arrangement with Westpac Banking Corporation was restructured as part of the Group's financing structure following completion.

Since year end, we have continued to execute this strategy at pace. On 1 July 2026, we completed the acquisition of Maxim Group, a market-leading Victorian specialist electrical contractor with deep credentials in data centre, major government infrastructure and battery energy storage system (BESS) projects, for total consideration of up to $254 million (comprising $184 million upfront, funded via cash and shares, and up to $70 million of earn-outs over FY27–FY29 contingent on Maxim delivering more than $50 million of annual maintainable EBIT). Maxim's FY26 underlying EBIT is expected to be approximately $47 million, representing a purchase multiple of approximately 5.4x, and the acquisition establishes Tasmea as a leading national specialist electrical platform.

On 3 August 2026, we completed the acquisition of JPS Group, a leading integrated services provider to Australia's LNG and energy sector, for total consideration of up to $75 million (comprising a $50 million upfront payment and up to $25 million of earn-outs over FY27–FY30 contingent on JPS delivering more than $12 million of annual maintainable EBIT). JPS forms part of our Mechanical segment and diversifies our earnings into Australia's LNG, gas and critical energy infrastructure markets.

As both acquisitions completed after 30 June 2026, they made no contribution to the FY26 results reported here, but are expected to materially contribute to FY27 earnings.

Operational highlights

- **Electrical -** Revenue grew 38.3% to $300.0 million (FY25: $216.9 million) and EBIT grew from $32.4 million to $50.6 million, representing approximately 23% of Group revenue. Growth was driven by continued electrification demand, data centre and renewables activity, and the ongoing benefit of recent specialist acquisitions.
- **Mechanical -** Represented approximately 12.1% of Group revenue in FY26. Performance reflected the cancellation of drill rig hire arrangements linked to nickel operations and the deferral of a drill rig sale which was forecast for the last quarter of FY26; the segment will be materially expanded from FY27 with the addition of JPS Group and the significant exposure to the South Australian copper expansion planned.
- **Civil -** Represented approximately 11.2% of Group revenue in FY26, continuing the strong organic growth seen through the year, supported by the full-year contribution of Flanco Group.
- **Water & Fluid -** Represented approximately 6.1% of Group revenue in FY26, with steady organic growth and continued integration of recent acquisitions.
- **Workforce Solutions –** Our newest segment, contributing approximately 47.7% of Group revenue and $616.9 million of revenue in its first seven months since the WorkPac acquisition completed on 1 December 2025 (estimated at $1.1 billion on a full-year basis). Integration is proceeding to plan, with 20 new or extended MSAs executed and cost synergies being realised across the combined business.

Underlying earnings accelerated in the second half, with second half underlying EBITA of $73.8 million approximately 67% higher than the $44.3 million delivered in the first half, taking full-year underlying EBITA to $118.1 million. This momentum was underpinned by continued margin expansion in our core trade businesses, with underlying EBIT margin (excluding Workforce Solutions) improving from 13.4% in H1 to 18.5% in H2, reflecting operating leverage as recent acquisitions were integrated and utilisation improved across our specialist segments.

People, Safety and Culture

Safety remains the foundation of Tasmea's licence to operate and our ability to win and retain customer contracts. Following the WorkPac acquisition, and consistent with our Group 1 reporting obligations under AASB S2, Tasmea now employs more than 8,000 people across the Group. We continue to invest in Health, Safety and Environment (HSE) systems, training and leadership practices to maintain consistent performance across all sites, and FY26 marked the first year in which Tasmea published climate-related financial disclosures under AASB S2, alongside this Annual Report.

We continue to strengthen alignment between our people and shareholders through the Employee Share Ownership Plan, Bonus Share Plan, Employee Share Trust, Long Term Incentive (LTI) Program and Option Incentive Plan established following shareholder approval at the 2024 Annual General Meeting. No options were granted, exercised or lapsed under the Option Incentive Plan during FY26; the 3,000,000 options granted to an Executive Director in FY25 remain on issue across three tranches, vesting subject to Tasmea and Tasman Power EBIT and growth hurdles through to FY30. Tasmea's founders and Executive Directors remain among the Group's largest shareholders, reflecting their long-term commitment to Tasmea's strategy and growth.

Risk and Opportunities

Tasmea's growth and performance are underpinned by disciplined risk and capital management and our 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, mitigated through our HSE focus, long-term incentive alignment, and the diversification of work across our 28 operating subsidiaries under an increasing number of MSAs and FMAs, spanning many customers, sites and sectors.

We continue to experience strong secular tailwinds across electrification, infrastructure replacement and ageing fixed plant, with our new Workforce Solutions segment further diversifying our earnings base and reducing reliance on any single end-market.

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 FY27 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 & 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.
- **Increasing weather volatility** is driving more resilience upgrades and rapid response programs in order to reduce client downtime.

Electrification Tailwinds

Demand for our specialist electrical services continues to build, with Electrical segment revenue up 38.3% in FY26 to $300.0 million. The completion of the Maxim Group acquisition since year end further extends our exposure to the data centre and battery energy storage system (BESS) construction boom, alongside continued demand for grid transmission, distribution and storage infrastructure as the energy transition continues.

Revenue Pipeline Remains Strong

At the start of FY27, Tasmea's secured and recurring work totalled approximately $1.44 billion, up from $719 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.

FY27 Earnings Guidance

On 24 June 2026, alongside the announcement of the JPS Group acquisition, the Company provided the market with FY27 guidance of underlying EBITA of $202–208 million and underlying NPATA of $128–132 million – growth of more than 70% on FY26.

As a consequence of the Tasmea specialist trade skills businesses experiencing unprecedented demand in the 60 days subsequent to releasing this guidance, the Company is delighted to upgrade its FY27 guidance to underlying EBITA of $205-210 million, and underlying NPATA of $130-133 million.

This guidance assumes a full 12 months' contribution from Maxim Group and 11 months from JPS Group, together with 10–15% organic growth across our existing businesses, and is supported by:

- a record order book of secured and recurring work across more than 125 Master Service Agreements;
- continued organic growth from cross-selling and service integration across our five segments;
- disciplined capital management, with a scalable, capital-light operating model; and
- a strong balance sheet, providing flexibility to continue funding our programmatic acquisition strategy.

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

Closing Remarks

FY26 was a defining year for Tasmea. Our statutory EBIT has grown from $21.9 million in FY22 to $115.3 million in FY26 – a compound annual growth rate of approximately 51% – while underlying EBITA increased 54.3% on FY25 to $118.1 million, and we now operate a five-segment platform with a national footprint and a workforce of more than 8,000 people.

We remain both excited, focused and confident about delivering another transformational year for our company in FY27 as we enter FY27 with strong momentum, a record secured work pipeline, and a clear strategy to create sustainable long-term shareholder value. We look forward to updating you on our progress in the year ahead.

We wish to thank our people, including our newest colleagues at WorkPac, Maxim Group and JPS Group, for their commitment to delivering exceptional outcomes for our customers. We also thank our customers and partners for their trust, and our shareholders for their ongoing support and confidence in Tasmea.

Stephen Young
Managing Director

Mark Vartuli
Chief Executive Officer

Financial Highlights

Summary of 5 Year Annual Financial Results

		2026	2025	2024	2023	2022
Underlying Revenue[1]	$M	1,293.3	547.9	400.0	320.0	244.8
Underlying EBITA[1,2]	$M	118.1	76.5	53.2	30.3	21.9
Underlying NPATA[1,2,4]	$M	73.7	51.7	35.8	19.5	13.6
Statutory Revenue[3]	$M	1,293.3	547.9	400.0	320.0	244.8
Statutory EBIT[2,3]	$M	115.3	74.4	46.4	30.3	21.9
Statutory NPAT[3]	$M	71.3	53.1	30.5	19.5	13.6
Operating Cash Flow, before interest and tax[2]	$M	147.1	65.2	49.2	22.8	26.7
Statutory Earnings Per Share (EPS)[3]	cents	27.8	23.2	15.2	10.0	7.0
Dividend per share (100% franked)[5]	cents	24.5	23.0	6.5	3.5	2.5

[1] Underlying results represent the Group's financial performance excluding significant and non-recurring items, and are presented to assist investors in assessing the performance of the Group's ongoing operations. Underlying results are non-IFRS financial measures, are not recognised under Australian Accounting Standards, and have not been audited or reviewed. They should not be considered a substitute for the statutory results, which are presented below. The items excluded in determining underlying results are non-cash fair value movements on acquisition-related derivatives, share based payments, business acquisition and integration costs, other non-recurring expenses, and the one-off recognition of a deferred tax asset. No adjustments are made to revenue, and underlying revenue is therefore the same as statutory revenue in each year presented. No underlying adjustments arose in FY22 or FY23, and underlying results for those years are therefore the same as the statutory results. A reconciliation of statutory results to underlying results for FY26 and FY25 is provided below.

[2] EBIT (Earnings Before Interest and Tax), EBITA (Earnings Before Interest, Tax and Amortisation of Acquired Intangibles) and NPATA (Net Profit After Tax, excluding Amortisation of Acquired Intangibles) are non-IFRS financial measures that are not recognised under Australian Accounting Standards and have not been audited. EBITA and NPATA exclude amortisation of customer contracts, brand names and other intangible assets recognised on the acquisition of businesses; amortisation of all other intangible assets is not excluded. Amortisation of acquired intangibles is added back gross of tax in determining NPATA. The Group first recognised acquired intangible assets in FY24, and accordingly EBITA is the same as EBIT, and NPATA the same as net profit after tax, for FY22 and FY23. Operating cash flow before interest and tax is a non-IFRS financial measure derived from the consolidated statement of cash flows and has not been audited.

[3] Statutory results are prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards and have been audited by Ernst & Young.

[4] Underlying NPATA is lower than statutory net profit after tax in FY25 because the items excluded in determining underlying results included a non-cash fair value gain on acquisition-related derivatives and the one-off recognition of a deferred tax asset, both of which increased the statutory result.

[5] Dividends per share are presented for the financial year to which they relate. FY26 comprises the interim dividend of 6.0 cents, the special dividend of 10.0 cents and the final dividend of 8.5 cents declared on 27 August 2026.

The FY26 statutory net profit after income tax was $71.3 million, an increase of 34.3% from the prior year. The key elements of the statutory results for the full year ended 30 June 2026 (FY26) compared with the full year ended 30 June 2025 (FY25) are summarised below:

- Revenue increased by 136.0% to $1,293.3 million;
- Gross margin up 57.4% to $251.5 million. Gross margin as a percentage of sales was 19.4% in FY26, down from 29.2% in FY25;
- Statutory profit after tax increased by 34.3% to $71.3 million;
- Statutory earnings per share increased by 19.8% to 27.8 cents.

Dividends	Amount per share (Cents)	Franked amount per share (cents)
2026		
Interim Dividend	6.0	6.0
Special Dividend	10.0	10.0
Final Dividend	8.5	8.5
2025		
Interim Dividend	5.0	5.0
Special Dividend	12.0	12.0
Final Dividend	6.0	6.0

On 27 August 2026, the Board declared a fully franked dividend of 8.5 cents bringing the full year fully franked dividend to 24.5 cents, inclusive of a fully paid special dividend of 10.0 cents (2025: 23.0 cents). Tasmea Limited's Dividend Reinvestment Plan will apply to the FY26 Final Dividend.

Statutory and Underlying results comparison

As set out in the Managing Director and Chief Executive Officer's Report, the Board considers underlying results to be the most appropriate basis on which to assess the Group's financial performance. A detailed comparison of reported results to underlying results for FY26 and FY25, together with a reconciliation of reported results to underlying results, is shown in the tables below.

	Reported		Change	Underlying		Change
$'millions	30 June 2026	30 June 2025	%	30 June 2026	30 June 2025	%
Revenue	1,293.3	547.9	136.0%	1,293.3	547.9	136.0%
Cost of sales	(1,041.8)	(388.1)	168.4%	(1,041.8)	(388.1)	168.4%
Gross margin	**251.5**	**159.8**	**57.4%**	**251.5**	**159.8**	**57.4%**
EBITA	**116.7**	**75.2**	**55.2%**	**118.1**	**76.5**	**54.3%**
Amortisation of acquired intangible assets	1.4	0.8	75.0%	1.4	0.8	75.0%
EBIT	**115.3**	**74.4**	**55.0%**	**116.7**	**75.8**	**54.0%**
Net finance costs	(16.0)	(8.3)	92.8%	(15.0)	(8.3)	80.7%
Net Profit before tax	**99.3**	**66.1**	**50.2%**	**101.7**	**67.5**	**50.7%**
Income tax expense	(28.0)	(13.0)	115.4%	(29.4)	(16.6)	77.1%
Net Profit after tax	**71.3**	**53.1**	**34.3%**	**72.3**	**50.9**	**42.0%**
Amortisation of acquired intangible assets	1.4	0.8	75.0%	1.4	0.8	75.0%
NPATA	**72.7**	**53.9**	**34.9%**	**73.7**	**51.7**	**42.5%**

Reconciliation of Reported results to Underlying results

$'000	2026	2025
Reported EBIT	**115,321**	**74,402**
Amortisation of acquired intangible assets (a)	1,425	787
Reported EBITA	**116,746**	**75,189**
Derivative fair value gains (b)	(7,465)	(6,857)
Share based payments (c)	5,044	2,028
Business acquisition costs/(income) (d)	(1,607)	2,768
Non-recurring expenses (e)	5,394	3,415
Underlying EBITA	**118,112**	**76,543**
Reported NPATA	**72,745**	**53,917**
Underlying adjustments (per above)	1,366	1,354
Unwinding of discount on contingent consideration (f)	1,016	-
Tax effect of the adjustments above (g)	(1,441)	(1,760)
Non-recurring deferred tax asset recognition (h)	-	(1,800)
Underlying NPATA	**73,686**	**51,711**

(a) Amortisation of customer contracts recognised on the acquisition of businesses. Excluded from EBITA and NPATA because the charge arises from acquisition accounting rather than from the trading performance of the businesses acquired, is non-cash in nature, and because the amount is not comparable between periods due to the Group’s programmatic acquisition strategy. Amortisation of all other intangible assets is not excluded.

(b) Non-cash fair value movements on the purchase price guarantee derivatives issued as consideration for the Future Engineering Group, Flanco, Vertex and WorkPac acquisitions, driven by Tasmea's share price between completion of each acquisition and year end. The FY26 gain arose principally on the WorkPac derivative; the Flanco and Vertex derivatives were closed out during the year. Excluded because the movements are non-cash, reflect the Company's share price rather than trading performance, and do not recur on a predictable basis.

(c) Non-cash expense under the Group's equity incentive plans, measured in accordance with AASB 2 Share-based Payment. The FY26 charge arises principally from options granted to an Executive Director in FY25, vesting across three tranches subject to Tasmea and Tasman Power EBIT and growth hurdles through to FY30, together with the second year of the Long Term Incentive Program. Excluded because the charge is non-cash and its recognition profile reflects grant timing and vesting assessments rather than the trading performance or cash generation of the period, consistent with FY25.

(d) Transaction and integration costs incurred on acquisitions, principally due diligence, legal, advisory and in-house legal costs on the WorkPac Group acquisition, less net credits arising on the remeasurement of contingent consideration payable on earlier acquisitions. Excluded because the costs are incurred only at acquisition or transition, and because the earn-out remeasurements reflect revisions to the estimated consideration payable on completed transactions rather than the trading performance of the period.

(e) Redundancy and restructuring costs arising from the corporate restructuring program to merge selected subsidiaries and streamline reporting structures following recent acquisitions. The program eliminated duplicated roles where the corporate, finance and support functions of acquired businesses overlapped with the Group's existing structure, and consolidated overlapping operational and back-office functions into a single Group structure, resulting in a net reduction of 49 roles across the functions affected. Also included are the alignment of WorkPac's lease accounting on acquisition, business integration costs on the rollout of common operating software across the Group, and legal costs on non-recurring matters, less the gain on sale of a property. Excluded because the costs are directly attributable to the integration of businesses acquired and to the associated one-off restructuring of the Group's operating model, are capable of separate identification and measurement, and are not representative of the ongoing cost base of the Group.

(f) Contingent consideration payable on business acquisitions is a financial liability measured at fair value on acquisition and remeasured to fair value at each reporting date, based on the Group's assessment of the probability of the relevant earn-out targets being achieved and the time value of money. Changes in fair value are recognised in profit or loss. The FY26 charge of $1.0 million is the time value component of that movement, recognised in finance costs; the remainder of the movement, a net gain arising from revisions to expected earn-out payments, is recognised in other income and is included in footnote (d). Excluded because it is a non-cash accounting charge arising from the measurement of acquisition consideration rather than from the Group's borrowings or from trading performance, and because it arises only for so long as the related earn-out obligations remain outstanding.

(g) The income tax effect of the adjustments above, calculated at the rate applicable to each item. Certain adjustments, including the movement in the fair value of the purchase price guarantee derivatives, are not assessable or deductible for income tax purposes.

(h) One-off recognition in FY25 of a deferred tax asset on carried forward losses, brought to account as utilisation became virtually certain given the Group’s profitability. Excluded as non-recurring; the asset will be utilised in future financial years. No such item arose in FY26.

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 2026.

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	Chief Executive Officer	
Jason Pryde	Executive Director	
Trent Northover	Executive Director	

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 3 years)' quoted are directorships held in the last 3 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. 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 and Risk Committee
Interests in shares:	543,719 ordinary shares

	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 and Risk Committee, Nomination and Remuneration Committee
Other current directorships:	-
Former directorships:	-
Interests in shares:	102,659,096 ordinary shares (as at the date of this report)

	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 and Risk Committee (Chair), Nomination and Remuneration Committee (Chair)
Other current directorships:	-
Former directorships:	-
Interests in shares:	547,542 ordinary shares

Ms Kristie Peta Young *BEng(Mining)Hons, PGDipEd(Maths,IT), CertIV(HR), FAICD, FAusIMM*
Non-executive Director

Experience and expertise:	Kristie has over 25 years' experience in the resources sector. She is a technical mining engineer with strong experience across business development (BD) & growth, and has held BD Director roles with both EY and PwC, as well as 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 and Remuneration Committee
Other current directorships:	Kristie has current Non-Executive Director roles with Brazilian Rare Earths Ltd (ASX:BRE), and Livium Ltd (ASX:LIT),.
Former directorships:	Tesoro Gold Limited (ASX: TSO), ChemX Materials Limited (ASX: CMX) and Corazon Mining Ltd (ASX:CZN).
Interests in shares:	13,557 ordinary shares

Mr Mark Gabriel Vartuli *M. Comm, B.Comm, FCA*
Chief Executive Officer

Experience and expertise:	Mark is Chief Executive Officer 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:	44,742,741 ordinary shares

	Mr Jason Frank Pryde, *MAICD* 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:	4,585,068 ordinary shares

Name:	**Mr Trent Michael Northover**, *MBA*
Title:	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 (last 3 years):	-
Interests in shares:	159,417 ordinary shares

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 2026, 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	13	13	-	-	2	2
Stephen Young	13	13	1	1	2	2
Michael Terlet	13	12	1	1	2	2
Kristie Young	13	13	1	1	-	-
Mark Vartuli	13	13	-	-	-	-
Jason Pryde	13	12	-	-	-	-
Trent Northover	13	13	-	-	-	-

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 $71.3 million (30 June 2025: $53.1 million). A full review of operations is included in the Managing Director's Report and Financial Highlights section.

Principal activities

Tasmea owns 28 operating subsidiaries 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 – together with, following the Group's acquisition of the WorkPac Group in December 2025, workforce management and labour hire services delivered through its new Workforce Solutions segment.

Tasmea operates across the following five specialist technical capabilities:

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

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.

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.

Significant changes in the state of affairs

During the financial year, the Group completed a number of significant transactions.

In September 2025, the Company completed an institutional placement of 10,000,000 new ordinary shares, raising $43.0 million before costs, to fund the Group’s acquisition pipeline and growth strategy.

The Group completed the acquisition of the Vertex Group (Vertex Power & Process Pty Ltd and VTX Group Services Pty Ltd) in July 2025, and on 1 December 2025 completed the acquisition of 100% of WorkPac Group Pty Ltd and its subsidiaries for total consideration of approximately $62.0 million. The WorkPac Group acquisition established Workforce Solutions as a new, fifth reportable operating segment of the Group, and the Group also entered into a receivables purchase arrangement with Westpac Banking Corporation in December 2025 as part of its financing structure.

The Group also paid a fully franked special dividend of 10.0 cents per share in June 2026, reflecting the Group’s strong financial performance.

In June 2026, the Group also entered into binding agreements to acquire Maxim Group Australia Pty Ltd (2 June 2026) and JPS Holdings Pty Ltd (23 June 2026), both of which completed after the end of the financial year and are expected to materially impact FY27 results. Refer to Matters subsequent to year end below for further detail.

Other than as set out above and elsewhere in this financial report, there were no other 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.

The Group's climate-related financial disclosures required under Chapter 2M of the Corporations Act 2001 are set out separately in the Sustainability Report accompanying this financial report.

Dividends

	Consolidated	
Dividends paid during the financial year were as follows:	2026 $'000	2025 $'000
FY25 Final dividend of 6.0 cents per ordinary share (2025: FY24 final dividend of 4.0 cents)	15,236	9,081
FY26 Interim dividend of 6.0 cents per ordinary share (2025: FY25 interim dividend of 5.0 cents)	15,622	11,505
FY26 Special dividend of 10.0 cents per ordinary share (2025: FY25 special dividend of 12.0 cents)	26,150	28,275
	57,008	48,861

On 27 August 2026, the Directors declared a fully franked final dividend of 8.5 cents per share, bringing the total fully franked dividend for the year to 24.5 cents per share, inclusive of a fully franked special dividend of 10.0 cents per share, reflecting the Group's strong financial performance.

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.

As at the date of this report, unissued ordinary shares of the Company under option were as follows. In FY25, the Company granted 3,000,000 options to an Executive Director in three tranches, each exercisable at $1.56 per share and subject to the performance and service conditions set out below. No options were granted, exercised or lapsed during the financial year ended 30 June 2026.

- **Tranche 1** – 1,000,000 options expiring on 30 June 2028. Vesting requires Tasmea EBIT to exceed $110 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 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 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.

Matters subsequent to the end of the financial year

Maxim Group Acquisition

On 1 July 2026, Tasmea Limited completed the acquisition of 100% of Maxim Group Australia Pty Ltd and its wholly-owned subsidiaries (Maxim Electrical Services, Maxim Infrastructure and Maxim Management Group) ("Maxim Group"), pursuant to a Share Purchase Agreement executed on 1 June 2026 and announced to the ASX on 2 June 2026.

Maxim Group is a market-leading specialist electrical contractor headquartered in Victoria, with established credentials across data centres, major government infrastructure, and battery energy storage system (BESS) and renewable energy markets. The acquisition establishes Tasmea as a leading specialist electrical platform with national scale, and further expands the Group's Electrical segment with direct exposure to data centre, BESS and major infrastructure end-markets.

As the acquisition completed after the reporting date, no revenue or profit contribution from Maxim Group is included in the Group's results for the year ended 30 June 2026.

JPS Group Acquisition

On 3 August 2026, Tasmea Limited completed the acquisition of 100% of JPS Holdings Pty Ltd and its related entities (JPS Management & Execution Pty Ltd and Safe Isolation Australia Pty Ltd) ("JPS Group"), pursuant to a Share Purchase Agreement executed on 23 June 2026 and announced to the ASX on 24 June 2026.

JPS Group is a leading integrated services provider to the Australian energy sector, with established credentials across LNG operations and maintenance, shutdown and campaign execution, specialist project execution, and tech-enabled isolation services. JPS Group serves a Tier-1 energy client base under more than 10 long-term Master Services Agreements, and through its Safe Isolation Australia business is the sole Australian distributor and execution partner for a patented double block and bleed isolation technology. The acquisition forms part of the Group's Mechanical segment and diversifies the Group's earnings into Australia's LNG, gas and critical energy infrastructure markets.

As the acquisition completed after the reporting date, no revenue or profit contribution from JPS Group is included in the Group's results for the year ended 30 June 2026.

No other matter or circumstance has arisen since 30 June 2026 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.

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 MSAs and 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.

Remuneration report (audited)

The Board of Directors of Tasmea Limited (Tasmea) presents its Remuneration Report for the reporting period of 1 July 2025 to 30 June 2026. 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	Independent
Michael Terlet	Non-Executive Director	Independent
Kristie Young	Non-Executive Director	Independent
Executive Directors		
Stephen Young	Managing Director	
Mark Vartuli	Chief Executive Officer	
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
- Share-based compensation

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.

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.

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 underlying 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 underlying 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 FY22 to FY26:

	Statutory FY26 Result $'million	Statutory FY25 Result $'million	Statutory FY24 Result $'million	Statutory FY23 Result $'million	Statutory FY22 Result $'million
Revenue	1,293.3	547.9	400.0	320.0	244.8
Earnings before Interest and Tax	115.3	74.4	46.4	30.3	21.9
Net profit after tax	71.3	53.1	30.5	19.5	13.6
Earnings per share (cents)	27.8	23.2	15.2	10.0	7.0
Dividend per share, declared (cents)	24.5	23.0	6.5	3.5	2.5
Share price (dollars) at 30 June[1]	$9.49	$3.70	$1.51	N/A	N/A

[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.

Mark Vartuli, *Chief Executive Officer*

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.

Trent Northover, *Executive Director*

Terms	Summary
Employer	Tasmea Corporate Services Pty Ltd
Fixed remuneration	$850,000 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 6 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	$369,600 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 3 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.

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 (Chief Executive Officer and Executive Director), Jason Pryde (Executive Director), 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		
	Cash salary	Cash bonus	Non-monetary	Super-annuation	Long service leave[2]	Shares	Options	Total
2026	**$**	**$**	**$**	**$**	**$**	**$**	$	**$**
Non-Executive Directors:								
Joe Totaro	179,372	-	-	21,525	-	-	-	200,897
Michael Terlet	91,324	-	-	10,929	-	1,000	-	103,253
Kristie Young	89,686	-	-	10,762	-	-	-	100,448
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[2,3,4]	820,000	368,400	-	37,500	-	1,000	3,349,225	4,576,125
Trent Northover[3]	781,250	150,000	35,000	30,000	-	225,000	-	1,221,250
Other KMP:								
Simone Thompson[3]	330,824	-	-	30,000	18,033	45,556	-	424,413
	3,912,456	518,400	55,000	200,716	18,033	272,556	3,349,225	8,326,386

1 Mr Young and Mr Vartuli waived their entitlement to receive their bonus during the financial year.
2 Mr Young, Mr Vartuli and Mr Pryde's contracts exclude the accrual of annual leave and long service leave
3 Amounts shown reflect remuneration paid, provided for or expensed during FY26. For some individuals this includes FY25 amounts paid in FY26 so cash amounts may exceed the contractual annual entitlement.
4 Share-based payments in relation to options represents the accounting expense recognised for the year, not amounts paid or received.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments		
	Cash salary	Cash bonus	Non-monetary	Super-annuation	Long service leave[2]	Shares	Options	Total
2025	**$**	**$**	**$**	**$**	**$**	**$**	$	**$**
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[4,5]	800,000	-	20,000	30,000	-	-	-	850,000
Mark Vartuli[4,5]	820,000	-	-	30,000	-	-	-	850,000
Jason Pryde[5,7]	754,640	60,631	-	22,483	-	126,000	528,051	1,491,805
Trent Northover[6]	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	528,051	4,699,442

4 Mr Young and Mr Vartuli waived their entitlement to receive their bonus during the financial year.

5 Mr Young and Mr Vartuli contracts exclude the accrual of annual leave and long service leave

6 Mr Northover commenced employment on 6 January 2025 and was appointed as a Director on 3 February 2025

7 Share-based payments in relation to options represents the accounting expense recognised for the year, not amounts paid or received.

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]	521,053	-	22,666	-	543,719
Michael Terlet[2]	547,290	252	-	-	547,542
Kristie Young[3]	13,361	-	196	-	13,557
Executive Directors					
Stephen Young[4]	99,679,138	-	2,924,303	-	102,603,441
Mark Vartuli[5]	43,662,086	-	1,080,655	-	44,742,741
Jason Pryde[6]	4,476,974	26,652	81,442	-	4,585,068
Trent Northover[7]	106,261	46,943	6,213	-	159,417
Other KMP					
Simone Thompson[8]	405,306	8,890	21,045	-	435,241
	149,411,469	82,737	4,136,520	-	153,630,726

1 Mr Totaro participated in the Dividend Reinvestment Plan (DRP)

2 Mr Terlet received an allocation of shares under the Employee Share Ownership Program

3 Ms Young participated in the DRP

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 jointly controlled by key management personnel, Stephen Young and Mark Vartuli.

Equity & Advisory Limited is a related entity as key management personnel, Stephen Young, Mark Vartuli and Simone Thompson are all directors of Equity & Advisory Limited. SY & MV Pty Ltd, an entity associated with Messrs Young and Vartuli, holds 45.1% of Equity & Advisory Limited and has significant influence over the entity.

Yura Yarta Services is a related entity as key management personnel, Stephen Young and Jason Pryde are directors of Yura Yarta Services. Tasmea Limited, holds a 49% equity interest in Yura Yarta Services and is classified as an associate of the Group under AASB 128.

Pryde Corporation Pty Ltd is controlled by key management personnel, Jason Pryde.

The following related party transactions with these entities occurred during the year ended 30 June 2026. The terms and conditions of the transactions and the associated agreements to which they relate are at arms length and on normal commercial terms.

Regent Street - Edinburgh Park premises

Regent Street holds lease agreements with several Tasmea subsidiaries for its property at Kaurna Avenue, Edinburgh Park. Each lease was granted for an initial nine-month term with a six-month renewal option thereafter unless terminated under the lease terms, and each has been renewed at the end of its initial term. Current arrangements are as follows:

Heavymech Pty Ltd – Bay 1 (5,000 sqm hard stand, desks and offices in shared office space, and carparks), commencing 1 April 2023 at $19,549.17 per month.

Fabtech Australia Pty Ltd – Bay 2 (1,000 sqm hard stand, desks in shared office space, and carparks), commencing 1 March 2023 at $17,274.58 per month.

Quarry & Mining Manufacture Pty Ltd – Bay 3 (desks and offices in shared office space, 5,000 sqm hard stand, and 20 carparks), commencing 1 February 2023 at $22,988.96 per month.

A. Noble & Son Pty Ltd – Bay 4 (2,000 sqm, desks and offices in shared office space, carparks, and an outdoor shed), commencing 1 October 2022 at $17,912.29 per month.

Regent Street - Mt Isa premises

Regent Street holds 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) and expiring 31 July 2027.

Regent Street - Northfield premises

Regent Street had a lease with Heavymech Pty Ltd for the Northfield premises at $13,106 per month (exclusive of GST) from 15 February 2025. The lease ended on 30 November 2025, on completion of Heavymech's relocation to the Edinburgh Park premises.

Shared Services Agreement between Tasmea Corporate Services and Equity & Advisory Limited

Tasmea Corporate Services Pty Ltd, 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.

For the year ended 30 June 2026, Tasmea Corporate Services invoiced Equity & Advisory $280,712 (excluding GST) under the agreement, including approximately $12,000 per month for services and additional recharged costs.

Equity & Advisory also acted as corporate advisor to Tasmea Limited in relation to corporate advisory and business acquisitions, invoicing Tasmea Corporate Services $223,425 (excluding GST) during the year.

Pryde Corporation - Jandakot premises

Pryde Corporation Pty Ltd holds a lease agreement with Tasman Power WA Pty Ltd for the property at 75 Verde Drive, Jandakot WA. The initial five-year term commenced 6 June 2021 at $18,000 per month (exclusive of GST), increasing by 4.0% per annum. On 23 June 2026, the parties agreed to exercise the first three-year option under the lease, commencing 6 June 2026 at a revised rent of $18,895 per month (exclusive of GST).

Property lease – Stephen Young

During the year, Tasmea Corporate Services Pty Ltd, a wholly owned subsidiary of Tasmea Limited, entered into a lease agreement with Managing Director Stephen Young for a property at Applecross WA. The lease commenced 1 January 2026 for an initial term of twelve months at $52,000 per annum, continuing thereafter on a month-to-month basis unless terminated by either party on notice.

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 2026.

<u>Transactions with Yura Yarta Services Pty Ltd</u>
Tasmea Limited holds a 49% equity interest in Yura Yarta Services Pty Ltd. Tasmea Limited has significant influence over Yura Yarta through its shareholding and board representation. Accordingly, Yura Yarta Services Pty Ltd is classified as an associate of the Group under AASB 128 and is a related party for the purposes of related party disclosures.

During the reporting period, certain Tasmea subsidiaries including ICE Engineering & Construction Pty Ltd, M&B Civil Pty Ltd and Tasman Power WA engaged Yura Yarta Services Pty Ltd to provide trade labour and related site services in connection with maintenance, shutdown and project activities. These transactions were conducted in the ordinary course of business.

Tasmea subsidiaries including Tasmea Corporate Services Pty Ltd, Groundbreaking Mining Solutions Pty Ltd and M&B Civil Pty Ltd invoiced Yura Yarta Services Pty Ltd for services and additional recharged costs.

Share-based compensation

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 $110m; (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 $135m; (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 $160m; (2) Tasman Power EBIT achieves 15% CAGR; (3) J Pryde holds an executive role at Tasmea.	30/06/2029	$1.56	$1.75

Options not exercised by their expiry date will lapse earlier in the event of cessation of employment or breach plan conditions. Options granted carry no dividend or voting rights. Further details of these options, including accounting valuation and expense, are provided in note 33 to the financial statements.

This concludes the remuneration report, which has been audited.

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

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined below.

	2026 $	2025 $
Ernst & Young		
Tax services	15,750	-
	15,750	-

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

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.

Rounding of amounts

The Company is of a kind referred to in *ASIC Corporations (Rounding in Financial/Director's Reports) Instrument 2026/183*, 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 Young	Mark Vartuli
Managing Director	Chief Executive Officer

27 August 2026

Ernst & Young
121 King William Street
Adelaide SA 5000 Australia
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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 and for the review of the selective sustainability information in the sustainability report for the financial year ended 30 June 2026, 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 and review;

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

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

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
27 August 2026

Tasmea Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Note	Consolidated 2026 $'000	Consolidated 2025 $'000
Revenue			
Revenue from Contracts with Customers	5	1,293,308	547,914
Cost of sales	6	(1,041,811)	(388,116)
Gross profit		**251,497**	**159,798**
Other income	7	16,488	9,474
Expenses			
Administrative expenses	8	(122,779)	(76,251)
Depreciation and amortisation expense	9	(23,588)	(15,505)
Other expenses	10	(6,297)	(3,114)
Operating profit before finance costs		**115,321**	**74,402**
Finance costs	11	(15,986)	(8,274)
Profit before income tax expense		**99,335**	**66,128**
Income tax expense	13	(28,015)	(12,998)
Profit after income tax expense for the year		**71,320**	**53,130**
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**71,320**	**53,130**
Profit for the year is attributable to:			
Non-controlling interest		51	61
Owners of Tasmea Limited		71,269	53,069
		71,320	**53,130**
Total comprehensive income for the year is attributable to:			
Non-controlling interest		51	61
Owners of Tasmea Limited		71,269	53,069
		71,320	**53,130**
		Cents	**Cents**
Basic earnings per share	12	27.84	23.22
Diluted earnings per share	12	27.52	22.92

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

Tasmea Limited
Consolidated statement of financial position
As at 30 June 2026

	Note	Consolidated 2026 $'000	2025 $'000
Assets			
Current assets			
Cash and cash equivalents	14	66,872	20,314
Trade and other receivables	16	145,974	104,017
Contract assets	17	62,482	34,418
Inventories	18	21,091	19,458
Other assets	19	9,805	4,113
		306,224	182,320
Non-current assets classified as held for sale	20	3,692	790
Total current assets		**309,916**	**183,110**
Non-current assets			
Property, plant and equipment	21	89,900	79,072
Right-of-use assets	22	28,756	9,346
Intangible assets	23	292,391	219,931
Deferred tax assets	13	7,538	2,851
Other assets	19	1,285	117
Total non-current assets		**419,870**	**311,317**
Total assets		**729,786**	**494,427**
Liabilities			
Current liabilities			
Trade and other payables	24	142,999	79,727
Income tax payable	13	8,800	18,523
Contract liabilities	25	8,689	7,153
Borrowings	26	20,831	25,457
Lease liabilities	27	5,498	4,821
Provision for employee benefits	29	48,728	14,063
Other provisions	30	21,595	5,934
Derivative financial instruments	28	16	1,509
Total current liabilities		**257,156**	**157,187**
Non-current liabilities			
Borrowings	26	105,610	105,795
Lease liabilities	27	23,383	4,245
Provision for employee benefits	29	781	585
Other provisions	30	40,766	41,246
Total non-current liabilities		**170,540**	**151,871**
Total liabilities		**427,696**	**309,058**
Net assets		**302,090**	**185,369**
Equity			
Issued capital	31	275,358	176,296
Reserves	32	(1,226)	(4,573)
Retained profits	35	27,907	13,646
Equity attributable to the owners of Tasmea Limited		302,039	185,369
Non-controlling interest	38	51	-
Total equity		**302,090**	**185,369**

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

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 2025	176,296	(5,351)	778	13,646	-	185,369
Profit after income tax expense for the year	-	-	-	71,269	51	71,320
Other comprehensive income for the year, net of tax	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	71,269	51	71,320
Shares issued as purchase consideration in a business combination (note 39)	26,121	-	-	-	-	26,121
Shares issued in the Capital Raise (note 31)	43,000	-	-	-	-	43,000
Dividends paid (note 36)	-	-	-	(57,008)	-	(57,008)
Shares issued in the dividend reinvestment plan (note 31)	30,448	(536)	-	-	-	29,912
Share-based payments (note 33)	1,059	-	4,583	-	-	5,642
Shares purchased by the Tasmea Employee Share Trust (note 34)	-	(1,000)	-	-	-	(1,000)
Deferred tax asset	-	300	-	-	-	300
Share issue costs, net of tax	(1,566)	-	-	-	-	(1,566)
Balance at 30 June 2026	**275,358**	**(6,587)**	**5,361**	**27,907**	**51**	**302,090**

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

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	-	-	-	53,069	61	53,130
Other comprehensive income for the year, net of tax	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	53,069	61	53,130
Transactions with owners in their capacity as owners:						
Shares issued as purchase consideration in a business combination (note 39)	16,707	-	-	-	-	16,707
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)
Dividends paid (note 36)	-	-	-	(48,861)	(185)	(49,046)
Balance at 30 June 2025	**176,296**	(5,351)	778	**13,646**	**-**	**185,369**

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

	Note	2026 $'000	Consolidated 2025 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		765,301	580,351
Receipts from receivables purchase program (WorkPac)		671,170	-
Payments to suppliers (inclusive of GST) and employees		(1,289,356)	(515,184)
		147,115	**65,167**
Interest received		1,434	-
Interest and other finance costs paid		(14,982)	(8,123)
Income taxes paid		(42,538)	(10,555)
Net cash from operating activities	15	**91,029**	**46,489**
Cash flows from investing activities			
Payment for purchases of controlled entities, net of cash acquired	39	(10,607)	(57,403)
Payment of deferred consideration for acquisitions		(10,299)	(5,150)
Payments for property, plant and equipment		(26,458)	(14,962)
Proceeds from disposal of property, plant and equipment		5,067	352
Net cash used in investing activities		**(42,297)**	**(77,163)**
Cash flows from financing activities			
Proceeds from borrowings		128,505	87,553
Repayment of borrowings		(134,030)	(22,318)
Repayment of lease liabilities		(9,987)	(7,070)
Dividends paid, net of reinvestment		(26,560)	(19,316)
Pre-acquisition distributions paid		-	(11,500)
On-market purchases of treasury shares		(1,536)	(1,486)
Proceeds from issue of shares	31	41,434	-
Net cash from/(used in) financing activities		**(2,174)**	**25,863**
Net increase/(decrease) in cash and cash equivalents		**46,558**	**(4,811)**
Cash and cash equivalents at the beginning of the financial year		20,314	25,125
Cash and cash equivalents at the end of the financial year	14	**66,872**	**20,314**

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

Note 1. Reporting entity

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

The consolidated financial statements of the Company as at and for the year ended 30 June 2026 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 the mining and resources, water and defence industries.

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).

During the period, the Group acquired WorkPac Group. The accounting policies of WorkPac have been aligned to those of the Group upon consolidation.

The acquisition has introduced certain revenue streams and cost structures that were not previously material to the Group. The relevant accounting policies are set out below.

Specific revenue streams

(i) Labour hire and recruitment

The Group provides workforce solutions to clients under master service agreements, with individual personnel requests issued as job orders under those arrangements. Revenue is generated from two primary services:

- Temporary Labour Hire. Under temporary labour arrangements, the Group employs personnel and assigns them to client roles. Revenue is recognised over time as the services are provided, based on hours worked by the employee in accordance with agreed charge-out rates. The performance obligation is satisfied progressively as labour services are delivered to the client.

- Permanent Recruitment. For permanent placements, the Group earns a placement fee upon successful introduction of a candidate. Revenue is recognised at a point in time when the placement contract is executed by the relevant parties and the Group’s performance obligation has been fulfilled.

(ii) Workforce Australia Service Contract

The Group provides employment services under its Workforce Australia Services Contract with the Department of Employment and Workplace Relations (DEWR). Revenue is derived from two primary payment streams:

- Outcome Fees. Outcome-related payments, including Outcome Payments and Very Long-Term Unemployment Bonuses, are recognised over time as the Group delivers services from participant commencement through to sustained employment outcomes. These payments represent variable consideration under AASB 15. The Group estimates expected outcome revenue using historical placement and retention data, active caseload metrics and applicable contractual fee rates. Revenue is recognised progressively from commencement to the expected outcome milestone, reflecting the transfer of services to the participant and DEWR over that period. Estimates of variable consideration are constrained to the extent that it is highly probable that a significant reversal will not occur.

- Upfront Payments. Engagement and transfer payments are recognised at a point in time when the relevant contractual performance obligations have been satisfied and the Group has an enforceable right to consideration.

(iii) In-home aged care ('IHAC') service

The Group provides in-home aged care services to clients under government-funded care packages. Funding is

Note 2. Material accounting policy information (continued)

predominantly received from the Australian Government, with any services delivered in excess of an individual's approved package funded directly by the client. Revenue is recognised at the point in time services are delivered, as this is when the performance obligation is satisfied and the client simultaneously receives and consumes the benefits of the services provided.

Specific intangible assets

(i) Provider Rights
Provider rights represent government-issued authorisations to deliver home aged care services. These rights are recognised at fair value at the acquisition date. Subsequent to initial recognition, provider rights are measured at cost less any accumulated impairment losses. These assets are assessed as having an indefinite useful life, as there is no foreseeable limit to the period over which they are expected to generate net cash inflows. Accordingly, they are not amortised. The useful life assessment is reviewed annually. If circumstances change such that the asset no longer has an indefinite life, it is amortised prospectively over its revised useful life.

Specific financial instruments

(i) Financial Instruments - Receivables Purchase Arrangements
The Group may enter into receivables purchase arrangements under which eligible trade receivables are sold to a third-party financier on a revolving basis.

In assessing whether trade receivables transferred under such arrangements are derecognised, the Group applies the derecognition requirements of AASB 9 Financial Instruments. This involves evaluating:
- whether the contractual rights to receive cash flows from the receivables have been transferred or qualify as a pass-through arrangement;
- whether substantially all risks and rewards of ownership have been transferred; and
- where risks and rewards are neither substantially transferred nor retained, whether control of the receivables has been relinquished.

Receivables are derecognised when the Group has transferred the contractual rights to cash flows and does not retain control over the receivables. Control is considered to be retained only if the transferee does not have the practical ability to sell the asset in its entirety to an unrelated third party without restrictions. If the transferee has that ability, the Group is deemed to have surrendered control and derecognition is achieved.

Where derecognition is achieved, the receivables are removed from the statement of financial position and any continuing involvement is recognised separately. Continuing involvement may include retained participation interests or servicing arrangements, which are recognised and measured in accordance with AASB 9.

If the derecognition criteria are not met, the receivables remain recognised and proceeds received are recorded as a secured borrowing.

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 27 August 2026.

Note 2. Material accounting policy information (continued)

(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 41.

(c) Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Tasmea Limited as at 30 June 2026 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.

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.

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

Note 2. Material accounting policy information (continued)

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)
- 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 2026/183*, 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.

(g) Revenue recognition
The Group recognises revenue as follows:

<u>Revenue from contracts with customers</u>

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.

Note 2. Material accounting policy information (continued)

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.

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
<u>Initial recognition and measurement</u>

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

Note 2. Material accounting policy information (continued)

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.

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; or
- 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;
- When 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;
- 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.

Note 2. Material accounting policy information (continued)

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.

Note 2. Material accounting policy information (continued)

(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.

(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.

Note 2. Material accounting policy information (continued)

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.

(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

The acquisition of WorkPac introduced new arrangements requiring significant judgement, including the accounting treatment of receivables purchase arrangements.

Derecognition of Receivables under Receivables Purchase Agreement
During the period, the Group entered into a receivables purchase arrangement (RPA) with financiers in respect of certain WorkPac trade receivables.

Under this arrangement, eligible receivables are sold to financiers on a revolving basis. Management has assessed the transaction against the derecognition requirements of AASB 9 Financial Instruments, including the transfer of contractual cash flow rights, the pass-through conditions, the transfer of risks and rewards, and the control assessment.

The assessment required significant judgement, particularly in evaluating:
- whether substantially all risks and rewards of ownership had been transferred;
- the extent of the Group's continuing exposure through its mezzanine participation interest; and
- whether the Group retained control over the receivables and associated cash flows.

Management concluded that, although substantially all risks and rewards were neither fully transferred nor fully retained, the Group does not retain control of the receivables. The financier has legal and practical control over enforcement rights and all collections, which are held in a controlled collection account and applied strictly in accordance with the contractual waterfall.

Accordingly, receivables sold under the arrangement are derecognised on the basis of loss of control in accordance with AASB 9. At 30 June 2026, trade receivables of $101.9 million had been derecognised under this arrangement. The Group continues to recognise its retained interest (subordinated participation) and servicing arrangement as continuing involvement under AASB 9.

Creation of Workforce Solutions operating segment
During the current reporting period, the Group established a new operating segment, *Workforce Solutions*, following the acquisition of WorkPac on 1 December 2025.

The Workforce Solutions segment provides labour hire and workforce management services to blue chip essential asset owners across Australia and operates with distinct service offerings, risk profiles and performance metrics compared to the Group's trade-based specialist services businesses. As a result, management determined that Workforce Solutions meets the criteria of an operating segment under AASB 8 *Operating Segments* and should be presented as a separate reportable segment.

The results of the Workforce Solutions segment have been included in the operating segment information from the acquisition date of 1 December 2025.

The amounts in the elimination & adjustments column 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, tax, depreciation and amortisation (EBITDA), earnings before interest and tax (EBIT) and operating cash flows (OCF). The accounting policies adopted for

Note 3. Critical accounting judgements, estimates and assumptions (continued)

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.

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).

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.

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).

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.

Sustainability-related disclosures
The operations of the Group are exposed to climate-related risks and opportunities. Judgement has been exercised in considering the impacts that climate-related risks and opportunities have had, or may have, on the Group based on known information. The Group discloses estimates of the anticipated financial effects of these risks and opportunities in the sustainability report, which is not part of the financial statements. Other than as addressed in the sustainability report, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of climate-related risks and opportunities.

Note 4. Operating segments

Identification of reportable operating segments
The Group is organised into five operating segments based on differences in products and services provided: electrical, mechanical, civil, water & fluid and workforce solutions.

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.

The amounts in the elimination & adjustments column 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, tax, depreciation and amortisation (EBITDA), earnings before interest and tax (EBIT) and operating cash flows (OCF). The accounting policies adopted for internal reporting to the Executive Directors are consistent with those adopted in the financial statements.

Creation of Workforce Solutions operating segment
During the current reporting period, the Group established a new operating segment, *Workforce Solutions*, following the acquisition of WorkPac on 1 December 2025.

The Workforce Solutions segment provides labour hire and workforce management services to blue chip essential asset owners across Australia and operates with distinct service offerings, risk profiles and performance metrics compared to the Group's trade-based specialist services businesses. As a result, management determined that Workforce Solutions meets the criteria of an operating segment under AASB 8 *Operating Segments* and should be presented as a separate reportable segment.

The results of the Workforce Solutions segment have been included in the operating segment information from the acquisition date of 1 December 2025.

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 & repairs, shutdown and mechanical maintenance.
Civil services	Remote area specialists in commercial earthworks, waste management and civil maintenance.
Water & fluid services	Remote area specialist services in industrial and commercial geomembrane solutions, lubrication solutions & maintenance, drainage solutions.
Workforce Solutions	Labour hire and workforce management services to blue chip essential asset owners across Australia.

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

Note 4. Operating segments (continued)

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 2026, approximately 23% (2025: 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.

Operating segment information

Consolidated - 2026	Electrical $'000	Mechanical $'000	Civil $'000	Water & Fluid $'000	Workforce Solutions $'000	Adjustments & Eliminations $'000	Total $'000
Revenue							
Sales to external customers	300,020	153,483	143,118	78,627	618,060	-	1,293,308
Intersegment sales	2,199	3,682	2,485	833	570	(9,769)	-
Total revenue	**302,219**	**157,165**	**145,603**	**79,460**	**618,630**	**(9,769)**	**1,293,308**
Earnings before interest, tax, depreciation and amortisation	**56,880**	**21,967**	**33,897**	**10,975**	**13,769**	**1,421**	**138,909**
Depreciation and amortisation	(6,256)	(6,079)	(3,833)	(1,386)	(3,231)	(2,803)	(23,588)
Earnings before interest and tax	**50,624**	**15,888**	**30,064**	**9,589**	**10,538**	**(1,382)**	**115,321**
Finance costs	(4,682)	(747)	(2,540)	(639)	(5,059)	(2,319)	(15,986)
Profit/(loss) before income tax expense	**45,942**	**15,141**	**27,524**	**8,950**	**5,479**	**(3,701)**	**99,335**
Income tax expense							(28,015)
Profit after income tax expense							**71,320**
Assets							
Segment assets	237,175	104,383	105,009	65,797	217,422	-	729,786
Total assets							**729,786**
Liabilities							
Segment liabilities	153,706	7,936	52,459	30,634	182,961	-	427,696
Total liabilities							**427,696**

Note 4. Operating segments (continued)

Consolidated - 2025	Electrical $'000	Mechanical $'000	Civil $'000	Water & Fluid $'000	Workforce Solutions $'000	Adjustments & Eliminations $'000	Total $'000
Revenue							
Sales to external customers	216,896	141,746	100,792	86,249	-	-	545,683
Intersegment sales	7,006	3,119	2,280	810	-	(13,215)	-
Total sales revenue	223,902	144,865	103,072	87,059	-	(13,215)	545,683
Total segment revenue	223,902	144,865	103,072	87,059	-	(13,215)	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)	(816)	(799)	-	(2,754)	(8,275)
Profit/(loss) before income tax expense	29,554	14,103	16,787	7,746	-	(2,062)	**66,128**
Income tax expense							(12,998)
Profit after income tax expense							**53,130**
Assets							
Segment assets	190,897	113,136	130,018	60,303	-	73	494,427
Total assets							**494,427**
Liabilities							
Segment liabilities	161,532	34,300	76,477	39,005	-	(2,256)	309,058
Total liabilities							**309,058**

Note 5. Revenue from Contracts with Customers

	Consolidated 2026 $'000	Consolidated 2025 $'000
Sales - Services	1,251,925	508,782
Sales - Goods	41,383	39,132
	1,293,308	547,914

Note 5. Revenue from Contracts with Customers (continued)

For the year ended 30 June 2026							
Type of service	**Electrical Services $'000**	**Mechanical Services $'000**	**Civil Services $'000**	**Water & Fluid $'000**	**Workforce Solutions $'000**	**Unallocated $'000**	**Total $'000**
Timing of Revenue Recognition							
Revenue recognised over time	300,020	131,195	140,629	61,661	613,429	-	1,246,934
Revenue recognised at a point in time	-	22,288	2,489	16,966	4,631	-	46,374
Total revenue from contracts with customers	**300,020**	**153,483**	**143,118**	**78,627**	**618,060**	-	**1,293,308**

For the year ended 30 June 2025							
Type of service	**Electrical Services $'000**	**Mechanical Services $'000**	**Civil Services $'000**	**Water & Fluid $'000**	**Workforce Solutions $'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**

	Consolidated	
	2026 $'000	**2025 $'000**
Trade Receivables (note 16)	105,749	94,885
Contract Assets (note 17)	62,482	34,418
Contract Liabilities (note 25)	(8,689)	(7,153)
	159,542	122,150

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.

Note 6. Cost of sales

	Consolidated	
	2026	2025
	$'000	$'000
Labour	609,166	126,814
Materials	110,524	122,983
Services and contractors	76,273	53,850
Other employee costs	189,983	49,412
Plant and equipment costs	26,390	16,128
Travel and accommodation costs	8,549	5,024
Freight costs	5,375	3,863
Medical costs	2,583	189
Other costs of sales (a)	12,968	9,853
Total cost of sales	1,041,811	388,116

(a) Other cost of sales

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

Note 7. Other income

	Consolidated	
	2026	2025
	$'000	$'000
Net fair value gain on financial liabilities (a)	7,465	6,857
Net fair value gain on remeasurement of deferred consideration (b)	3,869	1,066
Net gain on disposal of property, plant and equipment	2,613	340
Other	2,541	1,211
Total other income	16,488	9,474

(a) Fair value gain on remeasurement of derivative liabilities
The Group has recognised a gain of $7.5 million in relation to the remeasurement of derivative liabilities arising from the purchase consideration for the acquisition of WorkPac Group, 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.

(b) Fair value gain on remeasurement of contingent liabilities
The Group has recognised a gain of $3.9 million in other income during the year, as it has been determined the earn-out targets specified in the West Coast Lining Systems and Future Engineering Group sale and purchase agreements were not achieved in the current earn-out period, based on updated actual and forecast trading performance of each business.

Contingent consideration arising on the business combination is recognised as a financial liability at fair value at the acquisition date and is remeasured to fair value at each subsequent reporting date, with changes recognised in profit or loss, during the year.

Note 8. Administrative expenses

	Consolidated 2026 $'000	2025 $'000
Employee benefits expense	77,811	47,670
Insurance	6,948	5,617
Office and information technology	6,161	4,532
Consulting and compliance	5,273	4,758
Subscriptions	4,160	792
Travel expenses	3,583	2,678
Motor vehicle expenses	3,286	2,457
Rent expense - Short term leases	2,786	839
Property expenses	2,508	1,588
Other employee expenses	2,099	1,381
Advertising, sponsorship and donations	1,392	520
Other administrative expenses	6,772	3,419
Total administrative expenses	122,779	76,251

Note 9. Depreciation and amortisation expense

	Consolidated 2026 $'000	2025 $'000
Depreciation of plant and equipment	6,184	5,139
Depreciation of commercial vehicles and trucks	4,916	2,893
Depreciation of leasehold improvements	242	143
Depreciation of office furniture and equipment	406	504
Depreciation of right of use assets	9,162	5,885
Depreciation of computer equipment	395	154
Amortisation of customer contracts	1,425	787
Amortisation of computer software	709	-
Amortisation of patents and trademarks	149	-
Total depreciation and amortisation expense	23,588	15,505

Note 10. Other expenses

	Consolidated 2026 $'000	2025 $'000
Business combination - acquisition related expenses	655	1,381
Share based payment expenses	5,642	1,733
	6,297	3,114

Note 11. Finance costs

	Consolidated 2026 $'000	2025 $'000
Interest on borrowings	9,318	4,922
Interest on plant and equipment leases	1,496	1,192
Interest on property leases	842	296
Interest on deferred consideration	1,016	151
Other finance costs	3,314	1,713
Total finance costs	15,986	8,274

Note 12. Earnings per share

	Consolidated 2026 $'000	2025 $'000
Profit after income tax	71,320	53,130
Non-controlling interest	(51)	(61)
Profit after income tax attributable to the owners of Tasmea Limited	71,269	53,069

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	255,964,396	228,521,552
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	3,000,000	3,000,000
Weighted average number of ordinary shares used in calculating diluted earnings per share	258,964,396	231,521,552

	Cents	Cents
Basic earnings per share	27.84	23.22
Diluted earnings per share	27.52	22.92

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.

Note 13. Income tax

	Consolidated 2026 $'000	Consolidated 2025 $'000
Income tax expense		
Current tax	33,287	16,421
Origination and reversal of temporary differences	(5,555)	932
Recognition of losses not previously recognised	-	(4,105)
Under / (over) provisions in prior years	283	(250)
Aggregate income tax expense	28,015	12,998
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax expense	99,335	66,128
Tax at the statutory tax rate of 30%	29,801	19,838
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Recognition of tax losses not previously recognised	-	(5,817)
Recognition of capital losses not previously recognised	(719)	(207)
Other income not assessable	(3,328)	(2,357)
Non-deductible expenses	1,978	1,036
Prior year true up	283	505
Income tax expense	28,015	12,998

	Consolidated 2026 $'000	Consolidated 2025 $'000
Amounts credited directly to equity		
Deferred tax assets	(300)	(445)

Note 13. Income tax (continued)

	Consolidated 2026 $'000	Consolidated 2025 $'000
Net Deferred tax asset		
Net deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Employee benefits	22,515	3,970
Property, plant and equipment	(4,110)	(4,322)
Transaction costs deductible in future periods	1,213	1,354
Leases	928	(184)
Accrued expenses	793	1,068
Allowance for expected credit losses	399	453
Allocable Cost Amount impacts on assets not recognised before	(3,618)	(856)
Intangible assets	(15,751)	(3,927)
Tax losses	407	4,105
Other provisions	3,993	690
Other	24	55
	6,793	2,406
Amounts recognised in equity:		
Employee Share Trust	745	445
Deferred tax asset	7,538	2,851
Movements:		
Opening balance	2,851	3,113
Credited to profit or loss	2,058	3,174
Credited to equity	300	445
Initial recognition of deferred tax assets relating to business acquisitions	2,329	(3,881)
Closing balance	7,538	2,851

	Consolidated 2026 $'000	Consolidated 2025 $'000
Income tax payable		
Income tax payable	8,800	18,523

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.

Note 13. Income tax (continued)

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	
	2026	2025
	$'000	$'000
Current assets		
Cash at bank	66,532	18,305
Cash on deposit (short term)	340	2,009
Total cash and cash equivalents	66,872	20,314

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	
	2026	2025
	$'000	$'000
Profit after income tax expense for the year	71,320	53,130
Adjustments for:		
Depreciation and amortisation	23,588	15,505
Share-based payments	5,642	1,733
Post business combination, acquisition related costs/(income)	(3,869)	(1,000)
Net fair value gain on financial liabilities	(7,465)	(6,857)
Net gain on disposal of property, plant and equipment	(2,613)	(340)
Other non cash (income)/expenses	883	(891)
Change in operating assets and liabilities, net of movement from business combinations:		
Decrease/(increase) in trade and other receivables	36,613	(18,577)
Increase in contract assets	(18,770)	(5,891)
Increase in inventories	(4,161)	(2,236)
Decrease/(increase) in current and deferred tax assets	(14,048)	5,093
Decrease in prepayments	9,902	1,860
Increase in other assets	(3,481)	(186)
Increase/(decrease) in trade and other payables	(5,778)	5,412
Increase/(decrease) in other provisions	3,266	(266)
Net cash from operating activities	**91,029**	**46,489**

Note 16. Trade and other receivables

	Consolidated	
	2026	2025
	$'000	$'000
Current assets		
Trade receivables	105,749	94,885
Less: Allowance for expected credit losses	(1,329)	(1,507)
	104,420	93,378
Other receivables	29,087	10,639
Retained interest - Receivables Purchase Agreement (a)	12,467	-
	41,554	10,639
Total trade and other receivables	145,974	104,017

(a) WorkPac Receivables Purchase Agreement

Included within Other receivables is $12.5 million (30 June 2025: $nil) representing the Group's retained economic interest in trade receivables sold under the WorkPac Receivables Purchase Arrangement with Westpac Banking Corporation. Under the RPA, eligible receivables are sold on a revolving basis and derecognised in accordance with AASB 9. The retained interest represents the Group's interest in the transferred receivables and entitles the Group to certain cash flows based on the cash flow waterfall stipulated in the Receivables Purchase Agreement.

The retained interest is classified as a financial asset measured at amortised cost.

Further details of the derecognition of trade receivables and the Group's continuing involvement, are provided in Note 40 'Transfers Of Financial Assets'.

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 2026 $'000	Consolidated 2025 $'000
Current assets		
Contract assets	62,482	34,418

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

	2026 $'000	2025 $'000
Opening balance	34,418	27,154
Additions through business combinations (note 39)	-	2,774
Transfers to trade receivables	(34,418)	(29,928)
Revenue recognised in advance of invoicing	62,482	34,418
Closing balance	62,482	34,418

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 $34.4 million during the reporting period that related to performance obligations satisfied, or partially satisfied, in prior periods (2025: $29.9 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.
- 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 2026, contract assets totalled $62.5 million (2025: $34.4 million). The increase in contract assets primarily reflects the recognition of contract assets from 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 2026 $'000	Consolidated 2025 $'000
Current assets		
Raw materials	2,725	2,726
Work in progress	1,482	1,129
Finished goods	17,326	15,967
Less: Provision for impairment	(442)	(364)
	16,884	15,603
Total inventories	21,091	19,458

The cost of inventories recognised as an expense during the year in respect of continuing operations was $61.0 million (2025: $22.7 million).

The cost of inventories recognised as an expense includes $Nil (2025: $25,150) in respect of write-downs of inventory to net realisable value, and has been reduced by $Nil (2025: 135,504) 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.

Note 19. Other assets

	Consolidated 2026 $'000	Consolidated 2025 $'000
Current assets		
Prepayments (a)	9,256	3,457
Other current assets	549	656
Total other current assets	9,805	4,113
Non-current assets		
Total other non-current assets	1,285	117

(a) Prepayments are payments made in advance for goods or services to be received in a future period (Insurance, Subscriptions, etc.). They are initially recognised at the amount paid and are subsequently expensed to the profit or loss over the period to which they relate, or as the goods or services are consumed.

Note 20. Non-current assets classified as held for sale

	Consolidated	
	2026	2025
	$'000	$'000
Current assets		
Land and buildings	790	790
Plant and equipment	2,902	-
	3,692	790

Karratha Property

In June 2023, management committed to a plan 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 clearance from the WA State Government. Accordingly, the asset is presented as a non-current asset classified as held for sale at 30 June 2026. The asset is measured at the lower of its carrying amount and fair value less costs to sell and had a carrying value of approximately $0.8 million at reporting date. This is also disclosed in note 43.

Pit Viper Drill Rig

During quarter 3 of 2026, management completed the Pit Viper 271 Drill rig refurbishment and from that point committed to an active plan to sell the drill rig to a third party. The drill rig is currently located in Forrestdale WA. Management has recently presented a draft sales contract to a potential overseas purchaser. The sale of the rig is expected to be completed by no later than quarter 3 of 2027. The asset is measured at the lower of its carrying amount and fair value less costs to sell, and had a carrying value of approximately $2.9 million at the reporting date.

Note 21. Property, plant and equipment

	Consolidated	
	2026	**2025**
	$'000	**$'000**
Non-current assets		
Land and buildings - at cost	2,930	5,902
Less: Accumulated depreciation	(77)	(74)
	2,853	5,828
Leasehold improvements - at cost	14,685	6,986
Less: Accumulated depreciation	(6,205)	(2,395)
	8,480	4,591
Plant and equipment - at cost	76,195	67,306
Less: Accumulated depreciation	(32,208)	(28,259)
	43,987	39,047
Commercial vehicles and trucks - at cost	53,264	47,078
Less: Accumulated depreciation	(21,933)	(18,961)
	31,331	28,117
Computer equipment - at cost	5,265	1,842
Less: Accumulated depreciation	(3,444)	(1,502)
	1,821	340
Office furniture & equipment - at cost	5,591	4,760
Less: Accumulated depreciation	(4,163)	(3,611)
	1,428	1,149
Total property, plant and equipment	89,900	79,072

Note 21. Property, plant and equipment (continued)

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	Commercial vehicles & trucks $'000	Computer equipment $'000	Office furniture & equipment $'000	Capital work in progress $'000	Total $'000
Balance at 1 July 2024	2,602	3,524	27,776	19,578	146	959	3,028	57,613
Additions	270	501	7,451	6,184	340	216	-	14,962
Additions through business combinations (note 39)	2,932	710	5,780	6,413	-	314	-	16,149
Transfers in/(out)	24	-	3,179	(347)	-	172	(3,028)	-
Disposals	-	(1)	-	(818)	-	-	-	(819)
Depreciation expense	-	(143)	(5,139)	(2,893)	(146)	(512)	-	(8,833)
Balance at 30 June 2025	**5,828**	**4,591**	**39,047**	**28,117**	**340**	**1,149**	**-**	**79,072**
Additions	280	3,211	11,033	9,613	1,539	782	-	26,458
Additions through business combinations (note 39)	-	925	136	-	499	20	-	1,580
Transfers in/(out)	-	-	2,902	-	-	-	-	2,902
Classified as held for sale (note 20)	-	-	(2,902)	-	-	-	-	(2,902)
Disposals	(3,255)	(5)	(45)	(1,483)	(162)	(117)	-	(5,067)
Depreciation expense	-	(242)	(6,184)	(4,916)	(395)	(406)	-	(12,143)
Balance at 30 June 2026	**2,853**	**8,480**	**43,987**	**31,331**	**1,821**	**1,428**	**-**	**89,900**

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.

Note 22. Right-of-use assets

	Consolidated 2026 $'000	2025 $'000
Non-current assets		
Properties - right-of-use	26,899	8,033
Motor vehicles - right-of-use	1,857	1,313
	28,756	9,346

The Group leases land and buildings for its offices, warehouses and retail outlets under agreements of between 1 to 15 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 3 to 5 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 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**
Additions	17,392	520	17,912
Additions through business combinations	9,917	743	10,660
Depreciation expense	(8,443)	(719)	(9,162)
Balance at 30 June 2026	**26,899**	**1,857**	**28,756**

Amounts recognised in profit and loss	Consolidated 2026 $'000	2025 $'000
Depreciation expense on right of use assets	9,162	5,885
Interest expense on lease liabilities	2,338	1,488
Expense relating to short-term leases	2,786	839
	14,286	8,212

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

Note 22. Right-of-use assets (continued)

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	
	2026 $'000	2025 $'000
Non-current assets		
Goodwill	226,759	193,206
Patents, trademarks and licences	1,175	164
Less: Accumulated amortisation	(215)	(66)
	960	98
Customer contracts	5,965	5,326
Less: Accumulated amortisation	(2,412)	(987)
	3,553	4,339
Brand Names	57,341	22,288
Computer Software	4,487	-
Less: Accumulated amortisation	(709)	-
	3,778	-
Total intangible assets	292,391	219,931

Note 23. Intangible assets (continued)

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	Computer Software $'000	Patents, trademarks & licenses $'000	Customer contracts $'000	Brand Names $'000	Total $'000
Balance at 1 July 2024	87,967	-	237	1,190	-	89,394
Additions via business combinations (note 39)	104,950	-	-	4,316	22,288	131,554
Transfers in/(out)	289	-	(135)	(384)	-	(230)
Amortisation expense	-	-	(4)	(783)	-	(787)
Balance at 30 June 2025	**193,206**	**-**	**98**	**4,339**	**22,288**	**219,931**
Additions	-	106	14	139	53	312
Additions via business combinations (note 39)	33,559	4,381	997	500	35,000	74,437
Transfers in/(out)	(6)	-	-	-	-	(6)
Amortisation expense	-	(709)	(149)	(1,425)	-	(2,283)
Balance at 30 June 2026	**226,759**	**3,778**	**960**	**3,553**	**57,341**	**292,391**

At 30 June 2026, goodwill is allocated for impairment testing purposes to cash generating units (CGUs) as follows:

	Consolidated 2026 $'000	Consolidated 2025 $'000
Electrical services	91,257	91,193
Mechanical services	33,411	33,411
Civil services	39,867	39,937
Water & fluid services	28,665	28,665
Workforce Solutions	33,559	-
	226,759	193,206

At 30 June 2026, brand names are allocated for impairment testing purposes to cash generating units (CGUs) as follows:

	Consolidated 2026 $'000	Consolidated 2025 $'000
Electrical Services	9,260	9,260
Mechanical Services	1,000	1,000
Civil Services	11,000	11,000
Water & Fluid Services	1,028	1,028
Workforce Solutions	35,053	-
	57,341	22,288

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

Note 23. Intangible assets (continued)

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% (2025: 2.50%) and a terminal growth rate of 2.0% (2025: 2.00%), which is below the long term Australian 20 year real GDP growth rate of 3.2%.

Two post-tax discount rates were applied in determining the recoverable amount of the Group's CGUs, reflecting the different capital structures and risk profiles of the Group's operating segments. A post-tax WACC of 9.3% was applied to the Group's heritage segments (Electrical, Mechanical, Civil and Water & Fluid services), and a post-tax WACC of 9.5% was applied to the Workforce Solutions segment, reflecting its higher target gearing consistent with its receivables purchase financing arrangement (2025: post-tax WACC of 8.9%, applied to all CGUs).

At 30 June 2026, 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;
- 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 10 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 3-5 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.

Note 24. Trade and other payables

	Consolidated 2026 $'000	2025 $'000
Current liabilities		
Trade payables	41,806	47,701
Employee entitlements payable	57,699	7,733
Statutory payables	29,008	9,051
Other payables and accrued expenses	14,486	7,646
Business acquisition consideration payable	-	7,596
Total trade and other payables	142,999	79,727

Refer to note 37 for further information on financial instruments.

Business acquisition consideration payable

The business acquisition consideration payable in 2025 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 2026 $'000	2025 $'000
Current liabilities		
Contract liabilities	8,689	7,153

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

	2026 $'000	2025 $'000
Opening balance	7,153	4,920
Transfer to revenue as performance obligations satisfied	(7,153)	(4,920)
Payments received in advance	8,689	7,153
Closing balance	8,689	7,153

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.

Note 25. Contract liabilities (continued)

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.
- 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 2026, contract liabilities totalled $8.7 million (2025: $7.2 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. All contract liabilities at the end of the year will be recognised as revenue before the December half year period.

Note 26. Borrowings

	Consolidated	
	2026 $'000	2025 $'000
Current liabilities		
Term loans	10,254	16,081
Equipment Finance	9,035	6,962
Other short term loans	1,542	2,414
Total current loans and borrowings	20,831	25,457
Non-current liabilities		
Term loans	90,327	95,164
Equipment Finance	15,283	10,631
Total non-current loans and borrowings	105,610	105,795

Refinancing of Banking Facilities

In October 2025, the Group refinanced its existing BankSA facilities and entered into new banking facilities with Westpac Banking Corporation (Westpac). Initial drawdown under the new facilities occurred in October 2025. A Second Deed of Amendment was issued in June 2026 to extend cash advance facilities for the acquisition of Maxim Group and JPS Group.

The new facilities comprise:

Facility Type	Limit	Term
Term Loan Facility	$238.7 million	36 months
Asset Finance Facility	$10.0 million	Uncommitted
Group Set Off Facility	$25.0 million	On demand
Working Capital Facility - Bank Guarantees and Trade Finance	$35.0 million	On demand

Note 26. Borrowings (continued)

The term loan facility is repayable in scheduled quarterly instalments to maturity on 30 September 2028. The overdraft facility operates under a Group Set-Off structure. During the period, the Group set off limits were increased to a Net Group Limit of $25.0 million. The facility remains repayable on demand.

The refinancing resulted in derecognition of the previous BankSA facilities and recognition of new financial liabilities with Westpac during October 2025. Transaction costs directly attributable to the new facilities have been capitalised and are being amortised over the term of the facilities.

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 between 1.8% to 2.0% depending on the net leverage ratio each period. 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, each year end and half year period, including:
- a maximum Net Leverage Ratio (Net Debt to EBIT) of 2.25 times; and
- a minimum Equity Ratio of not less than 35%.

At 30 June 2026, the carrying amount of liabilities subject to these covenant arrangements was $126.4 million (2025: $131.3 million). The Group has complied with all financial covenants during the year and as at reporting date.

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 does not obtain a waiver, the relevant borrowings could become repayable on demand. Considering the last covenants test done in July 2026, 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 6.21% (2025: 5.90%).

Refer to note 37 for further information on financial instruments.

Note 26. Borrowings (continued)

Financing arrangements

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

	Consolidated 2026 $'000	2025 $'000
Total facilities		
Bank loans	101,047	132,825
Asset Finance Facility	24,500	22,056
Multi Option Trade Finance Facility	35,000	2,250
Group Set up Facility	25,000	-
Other Short Term Loans	220	-
	185,767	157,131
Used at the reporting date		
Bank loans	100,581	111,245
Asset Finance Facility	24,318	12,179
Multi Option Trade Finance Facility	1,322	2,033
Group Set up Facility	-	-
Other Short Term Loans	220	-
	126,441	125,457
Unused at the reporting date		
Bank loans	466	21,580
Asset Finance Facility	182	9,877
Multi Option Trade Finance Facility	33,678	217
Group Set up Facility	25,000	-
Other Short Term Loans	-	-
	59,326	31,674

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.

Note 27. Lease liabilities

	Consolidated	
	2026	**2025**
	$'000	**$'000**
Current liabilities		
Lease liability - Properties	4,907	4,545
Lease liability - Motor Vehicles	591	276
	5,498	4,821
Non-current liabilities		
Lease liability - Properties	22,901	4,234
Lease liability - Motor Vehicles	482	11
	23,383	4,245

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 an outstanding share price guarantee in relation to the WorkPac Group acquisition. Although this arrangement is not a put option in legal form, it has been valued using put option pricing models. Details of the share price guarantee are disclosed in note 39. As at 30 June 2026, the fair value of these instruments were recorded as a liability.

	Consolidated	
	2026	2025
	$'000	$'000
Current liabilities		
Derivative liability at fair value	16	1,509

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	
	2026	2025
	$'000	$'000
Current liabilities		
Annual leave	36,069	8,591
Long service leave	7,549	4,059
Other employee benefits	5,110	1,413
Total current provision for employee entitlements	48,728	14,063
Non-current liabilities		
Long service leave	781	585
Total non-current provision for employee entitlements	781	585

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.

Note 30. Other provisions

	Consolidated	
	2026 $'000	2025 $'000
Current liabilities		
Contingent consideration	17,020	5,400
Workers' compensation self-insurance	1,824	-
Other provisions	2,751	534
Total other current provisions	21,595	5,934
Non-current liabilities		
Contingent consideration	31,721	41,016
Workers' compensation self-insurance	6,545	230
Legal claims	2,500	-
Total other non-current provisions	40,766	41,246

Legal claims

The provision relates to the liability of WorkPac Pty Ltd concerning the calculation of the portable long service leave levy for casual employees for periods before the acquisition. The provision is management's best estimate of the acquisition-date obligation, comprising the estimated net amount payable and the estimated legal costs. The provision is undiscounted. The ultimate amount payable may differ from the amount provided.

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.

Note 31. Issued capital

	2026 Shares	2025 Shares	Consolidated 2026 $'000	2025 $'000
Ordinary shares - fully paid	264,457,760	243,129,443	275,358	176,296

Movements in ordinary share capital

Details	Date	Shares	Price	$'000
Opening balance	1 July 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	23 Jan 2025	100,000	$2.95	295
Share based payments - Bonus Share Plan	31 Dec 2024	135,270	$2.95	399
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		-	$0.00	(105)
Closing balance	**30 June 2025**	**243,129,443**		**176,296**
Share based payments - Bonus Share Plan	23 July 2025	75,809	$2.85	216
Shares issued as purchase consideration - Vertex Group	28 July 2025	714,286	$2.90	2,071
Shares issued - Capital Raise	12 Sept 2025	10,000,000	$4.30	43,000
Shares issued under the Dividend Reinvestment Plan	5 Nov 2025	1,315,904	$4.45	5,861
Share based payments - Bonus Share Plan	7 Nov 2025	4,138	$4.45	18
Shares issued as purchase consideration - WorkPac Group	1 Dec 2025	5,000,000	$4.81	24,050
Share based payments - Bonus Share Plan	6 Jan 2026	5,006	$4.22	18
Share based payments - Employee Share Ownership Program	11 Mar 2026	117,779	$3.97	461
Shares issued under the Dividend Reinvestment Plan	10 April 2026	1,089,444	$4.05	4,412
Share based payments - Bonus Share Plan	10 April 2026	25,015	$4.05	101
Shares issued under the Dividend Reinvestment Plan	25 June 2026	2,945,192	$6.85	20,175
Share based payments - Bonus Share Plan	30 June 2026	35,744	$6.85	245
Less: ASX share issue costs				(1,566)
Closing balance	**30 June 2026**	**264,457,760**		**275,358**

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.

Capital risk management

The Group's objectives when managing capital are 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.

Note 31. Issued capital (continued)

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 is 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 2025 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	
	2026 $'000	2025 $'000
Share-based payments reserve	5,361	778
Treasury shares reserve	(6,587)	(5,351)
	(1,226)	(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.

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 FY26, 117,779 shares were allocated to 472 employees under the ESOP. The associated expense recognised in Other Expenses was $461,000 (note 10) (FY25: $436,000).

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 2026, a number of employees elected to receive part or all of their bonus in shares. A total of 145,712 ordinary shares were issued under the plan, with a total expense recognised in Other Expenses of $598,000 (note 10) (2025: $819,000).

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 FY26.

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 5 years of the grant date, for those Options, or upon cessation of employment or a determination by the Board in certain cases of breach.

Note 33. Share-based payments (continued)

The following share-based payment arrangements were in place under the Option Incentive Plan during the year ended 30 June 2026.

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 million; (2) Tasman Power EBIT achieves 15% CAGR; (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 million; (2) Tasman Power EBIT achieves 15% CAGR; (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 million; (2) Tasman Power EBIT achieves 15% CAGR; (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 & 3: 4.6 years
- Risk-free interest rate: 4.0%
- 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.

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.

Note 33. Share-based payments (continued)

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.
- 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, they are treated as if they had vested on the date of cancellation, and any remaining expenses are recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award are 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 2026, 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.

Share movements in the Employee Share Trust

	Consolidated	
	2026	**2025**
	$'000	**$'000**
Opening balance	5,796	-
On market purchases of Tasmea Limited securities	1,000	1,486
New shares issued to the Employee Share Trust	-	4,026
Participation in the Dividend Reinvestment Plan	536	284
Closing Balance	7,332	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 2026 $'000	2025 $'000
Retained profits at the beginning of the financial year	13,646	9,438
Dividends paid (note 36)	(57,008)	(48,861)
Profit after income tax expense for the year	71,269	53,069
Retained profits at the end of the financial year	27,907	13,646

Note 36. Dividends

Dividends

Dividends paid during the financial year were as follows:

	Consolidated 2026 $'000	2025 $'000
FY25 Final dividend of 6.0 cents per ordinary share (*2025: FY24 final dividend of 4.0 cents*)	15,236	9,081
FY26 Interim dividend of 6.0 cents per ordinary share (*2025: FY25 interim dividend of 5.0 cents*)	15,622	11,505
FY26 Special dividend of 10.0 cents per ordinary share *(2025: FY25 special dividend of 12.0 cents)*	26,150	28,275
	57,008	48,861

Franking credits

	Consolidated 2026 $'000	2025 $'000
Franking credits available for subsequent financial years based on a tax rate of 30%	33,399	12,663

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
- 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.

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	
	2026 $'000	2025 $'000
Financial assets at amortised cost		
Trade receivables (note 16)	104,420	93,378
Other receivables (note 16)	29,087	10,639
Total financial assets	133,507	104,017
Financial liabilities at amortised cost		
Trade payables (note 24)	41,806	47,701
Other payables (note 24)	101,193	32,026
Borrowings (note 26)	126,441	131,252
Total financial liabilities	269,440	210,979
Current	163,830	105,184
Non-current	105,610	105,795
	269,440	210,979

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:

	2026		2025	
Consolidated	**Weighted average interest rate %**	**Balance $'000**	**Weighted average interest rate %**	**Balance $'000**
Term loans	6.21%	100,581	5.90%	111,245
Net exposure to cash flow interest rate risk		100,581		111,245

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

Note 37. Financial instruments (continued)

For the Group, bank loans outstanding totalling $126.4 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 $21.1 million are due during the year ending 30 June 2027.

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 23% of the Group's external revenue for the year ended 30 June 2026 was derived from sales to a leading global mining group (2025: 25%). 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 2026, over 50% of the Group's trade receivables were covered by letters of credit and credit insurance (30 June 2025: >50%).

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 2026 and 30 June 2025 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.

Note 37. Financial instruments (continued)

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

	Consolidated	
	2026 $'000	2025 $'000
Industrials (oil & gas, mining, defence, water)	168,231	129,303

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

	Trade Receivables 2026 $'000	Trade Receivables 2025 $'000	Contract Assets 2026 $'000	Contract Assets 2025 $'000
Days past due				
Current	79,184	66,939	62,482	34,418
Less than 30 days	27,845	19,283	-	-
31-60 days	3,881	3,210	-	-
61-90 days	1,024	2,344	-	-
Greater than 90 days	6,424	3,109	-	-
	118,358	94,885	62,482	34,418

Allowance for expected credit losses

The Group recognised an expense of $689,000 in profit or loss in respect of expected credit losses for the year ended 30 June 2026 (2025: $135,000).

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	2026 %	2025 %	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Current	-		94,929	76,071	6	88
Less than 30 days	0.1%	0.1%	37,787	19,283	14	36
30 - 60 days	1.8%	2.1%	6,579	3,210	36	69
61 - 90 days	6.9%	10.1%	1,390	2,344	36	237
Greater than 91 days	18.7%	23.3%	6,618	4,616	1,237	1,077
			147,303	105,524	1,329	1,507

Note 37. Financial instruments (continued)

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.

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.

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 - 2026	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		41,806	-	-	-	41,806
Other payables		14,486	-	-	-	14,486
Contingent consideration		17,199	20,862	17,859	-	55,920
Interest-bearing - variable						
Term loans	6.21%	21,152	80,016	5,287	-	106,455
Interest-bearing - fixed rate						
Other loans	17.00%	1,542	-	-	-	1,542
Equipment Finance	6.26%	9,035	-	15,283	-	24,318
Lease liabilities - Properties	4.69%	4,907	11,025	1,461	9,506	26,899
Lease Liabilities - Motor Vehicles	6.26%	1,505	1,498	1,869	-	4,872
Total non-derivatives		111,632	113,401	41,759	9,506	276,298
Derivatives						
Share price guarantees		16	-	-	-	16
Total derivatives		16	-	-	-	16

Note 37. Financial instruments (continued)

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		47,701	-	-	-	47,701
Other payables		7,646	-	-	-	7,646
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		98,621	42,697	69,582	38,133	249,033
Derivatives						
Share price guarantees	-	1,509	-	-	-	1,509
Total derivatives		1,509	-	-	-	1,509

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.

Note 38. Interests in subsidiaries

Interests in subsidiaries of the Group are set out below.

Name	Country of incorporation	Ownership interest 2026 %	Ownership interest 2025 %
Parent Entity			
Tasmea Limited			
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%
Dingu Blue Pty Ltd	Australia	100%	-
Fabtech Australia Pty Ltd	Australia	100%	100%
Fabtech Holdings Pty Ltd	Australia	100%	100%
Flanco Civil Pty Ltd	Australia	100%	100%
Flanco Kalgoorlie Pty Ltd	Australia	100%	100%
Future Engineering & Communication Pty Ltd	Australia	100%	100%
Future Engineering Group Holdings Pty Ltd	Australia	100%	100%
Future Power WA Pty Ltd	Australia	100%	100%
GiveBack Pty Ltd	Australia	100%	-
Gold Training 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%
IHAC Invest Co Pty Ltd	Australia	100%	-
Inoteq Group Pty Ltd	Australia	100%	-
Inoteq Offshore Services Pty Ltd	Australia	100%	-
Inoteq Pty Ltd	Australia	100%	-
JobTrail Services Pty Ltd	Australia	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%
MyneSight Pty Ltd	Australia	100%	-
NWMC Mining & Civil Pty Ltd	Australia	100%	100%
PathLinc Pty Ltd	Australia	100%	-
Quarry & Mining Manufacture Pty Ltd	Australia	100%	100%
Quarry Mining & Manufacture (USG) Pty Ltd	Australia	100%	100%
REC Investco Pty Ltd	Australia	100%	-
Rise Engineering Pty Ltd	Australia	67%	67%
Rollwell Engineering Pty Ltd	Australia	100%	100%
Sigma Power Services Pty Ltd	Australia	100%	100%
Site Fleet Services Pty Ltd	Australia	100%	-
Starboard Tack Pty Ltd	Australia	100%	100%
Tasman Asset Management Services Pty Ltd	Australia	100%	100%
Tasman Labour Hire Pty Ltd	Australia	100%	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%
Tasman Recruitment WA Pty Ltd	Australia	100%	100%

Note 38. Interests in subsidiaries (continued)

Name	Country of incorporation	Ownership interest 2026 %	Ownership interest 2025 %
Tasman Rope Access Pty Ltd	Australia	100%	100%
Tasman Site Services Pty Ltd	Australia	100%	100%
Tasman Skilled Services Pty Ltd	Australia	100%	-
Tasmea Civil Holdings Pty Ltd	Australia	100%	100%
Tasmea Corporate Services Pty Ltd	Australia	100%	100%
Tasmea Electrical Holdings Pty Ltd	Australia	100%	-
Tasmea ESP Pty Ltd atf the Tasmea Employee Share Trust	Australia	100%	100%
Tasmea Group Pty Ltd	Australia	100%	100%
Tasmea Mechanical Holdings Pty Ltd	Australia	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%
Texplore Pty Ltd	Australia	100%	-
Vertex Power & Process Pty Ltd	Australia	100%	100%
VTX Group Services Pty Ltd	Australia	100%	100%
WCLS Lining Systems Pty Ltd	Australia	100%	100%
wes.jobs Pty Ltd	Australia	100%	-
Westplant Pty Ltd	Australia	100%	100%
WorkPac Construction Pty Ltd	Australia	100%	-
WorkPac Group Pty Ltd	Australia	100%	-
WorkPac Group Training Pty Ltd	Australia	100%	-
WorkPac Health and Social Care Pty Ltd	Australia	100%	-
WorkPac Holdings Pty Ltd	Australia	100%	-
WorkPac HSC Staffing No. 1 Pty Ltd	Australia	100%	-
WorkPac HSC Staffing No. 2 Pty Ltd	Australia	100%	-
WorkPac HSC Staffing No. 3 Pty Ltd	Australia	100%	-
WorkPac Mining Pty Ltd	Australia	100%	-
WorkPac Pty Ltd	Australia	100%	-
WorkPac Securities Pty Ltd	Australia	100%	-
WorkPlus MSP Pty Ltd	Australia	100%	-
ACN 125 531 428 Pty Ltd	Australia	100%	100%
ACN 126 470 942 Pty Ltd	Australia	100%	100%
ACN 631 235 320 Pty Ltd	Australia	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:

		Parent		Non-controlling interest	
Name	Country of incorporation	Ownership interest 2026 %	Ownership interest 2025 %	Ownership interest 2026 %	Ownership interest 2025 %
Rise Engineering Pty Ltd	Australia	67%	67%	33%	33%

Note 39. Business combinations

WorkPac Group

On 1 December 2025, WorkPac Holdings, a wholly owned subsidiary of Tasmea Limited, acquired 100% of WorkPac Group Pty Ltd and its subsidiaries (collectively "**WorkPac Group**").

WorkPac is an Australian workforce solutions provider delivering recruitment and workforce services across a range of sectors including mining, construction, engineering, industrial, defence, health and social care. WorkPac's services include end-to-end recruitment and staffing services, including temporary and permanent placements, managed services, vendor management, recruitment process outsourcing, traineeships and apprenticeships.

The acquisition of WorkPac strengthens Tasmea's specialist labour capability with the establishment of a dedicated Workforce Solutions segment and enhances Tasmea's ability to source, mobilise and deploy skilled labour at scale across its Electrical, Mechanical, Civil, and Water & Fluid operating segments.

The acquired business contributed revenue of $616.9 million and loss after tax of $0.3 million to the consolidated entity for the 7 month period to 30 June 2026. If the WorkPac Group had been acquired on 1 July 2025, revenue contribution to the Group for the year is estimated to have been $1.1 billion and profit after tax is estimated to have been $3.0 million after corporate costs.

Goodwill of $33.5 million is primarily related to growth expectations, expected future profitability, and expected cost synergies. Goodwill has been allocated to the new Workforce Solutions operating segment, which represents the cash-generating unit for impairment testing purposes. The values identified in relation to the acquisition of the WorkPac Group are provisional as at 30 June 2026 pending further review of the workers compensation liability and other provisions and accruals. 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 a price guarantee, which provides the vendors with downside protection in relation to the value of the shares issued.

Under the price guarantee:
- Tasmea is required to make a payment if the vendors dispose of eligible Tasmea shares during the Exercise Period (1 September 2026 to 30 September 2026) at a sale price below $5.50 per share.
- Eligible Buyer Shares are those held continuously by the vendors until 5:00 pm (Adelaide time) on the day prior to the commencement of the Exercise Period.

As the price guarantee, guarantees a minimum value of $5.50 per share, the arrangement represents a written option that is linked to movements in the share price. Tasmea's obligation in this respect has been recognised as a derivative liability at fair value at the date of acquisition.

At 30 June 2026, the derivative liability was measured at $16.0 thousand, (Acquisition date: $6.0 million) and is recognised on the balance sheet, with the movement in fair value since acquisition recognised as a gain in profit or loss (refer to note 7.)

Contingent consideration
As part of the purchase agreement with the Vendors, a contingent consideration arrangement was agreed. Additional cash payments of $5.25 million will be made for each of the following performance periods:
- 1 November 2025 to 31 October 2026
- 1 November 2026 to 31 October 2027.

The earnout payment is contingent on achievement of EBIT equal to or exceeding $18.0 million (after corporate costs) during these performance periods.
Where EBIT is below $18.0 million, the earnout amount is reduced by $1.50 for every dollar less than $18.0 million, with no earnout payable where EBIT is $14.3 million or less.

Note 39. Business combinations (continued)

As at the acquisition date, the fair value of the contingent consideration was estimated to be $9.9 million. As at 30 June 2026, WorkPac's key performance indicators indicate it is probable that the contingent consideration will be payable.

Details of the acquisition are as follows:

	WorkPac Group $'000
Cash and cash equivalents	11,454
Trade and other receivables	74,386
Prepayments	14,409
Other current assets	2,426
Right-of-use assets	10,660
Property, plant and equipment	1,580
Intangible assets	40,878
Current tax receivable	937
Deferred tax asset	2,329
Trade and other payables	(55,504)
Accrued expenses	(28,666)
Contract liabilities	(53)
Lease liabilities	(10,660)
Provision for employee benefits	(33,256)
Provision for legal matters	(2,500)
Net assets acquired	28,420
Goodwill	33,559
Acquisition-date fair value of the total consideration transferred	61,979
Representing:	
Cash paid or payable to vendor	22,061
Tasmea Limited shares issued to vendor	24,050
Derivative liability	5,972
Contingent consideration	9,896
	61,979
Cash used to acquire business, net of cash acquired:	
Acquisition-date fair value of the total consideration transferred	61,979
Less: cash and cash equivalents acquired	(11,454)
Less: contingent consideration	(9,896)
Less: shares issued as part of consideration	(24,050)
Less: options issued as part of consideration	(5,972)
Net cash used	10,607

Note 39. Business combinations (continued)

Flanco Group

The Flanco Group was acquired on 1 April 2025, the business combination was provisionally accounted for at 30 June 2025. During the year ending 30 June 2026 the Group has retrospectively adjusted the provisional amounts recognised for new information obtained about facts and circumstances that existed at acquisition date. This has resulted in an increase in accruals and an increase in goodwill of $0.8 million for liabilities that should have been included as part of the acquisition.

Vertex Group

The Vertex Group was acquired on 1 June 2025, the business combination was provisionally accounted for at 30 June 2025. During the year ending 30 June 2026 the Group has retrospectively adjusted the provisional amounts recognised for new information obtained about facts and circumstances that existed at acquisition date. This has resulted in an increase in accruals and an increase in goodwill of $0.07 million for liabilities that should have been included as part of the acquisition.

MyneSight Pty Ltd

On 17 February 2026, WorkPac Pty Ltd, a wholly owned subsidiary of Tasmea Limited, acquired 100% of MyneSight Pty Ltd ("MyneSight") for $0.33 million. MyneSight is a Registered Training Organisation (RTO 31900) providing nationally accredited training and compliance service to clients predominantly within the mining and resources sector. The acquisition enhances WorkPac's workforce solution capability.

Reconciliation of deferred consideration payable in relation to business combinations:

	Consolidated	
	2026 $'000	2025 $'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:		
WorkPac Group	5,149	-
Vertex Group	924	-
Flanco Group	6,697	-
Future Engineering Group	3,100	4,250
Forefront Services	1,150	1,150
Total current contingent consideration payable	17,020	5,400
Non-current contingent consideration payable in relation to the acquisitions of:		
WorkPac Group	4,944	-
Vertex Group	1,863	2,718
Flanco Group	17,610	23,659
Future Engineering Group	6,206	11,584
Forefront Services	1,098	2,145
West Coast Lining Systems	-	910
Total non-current contingent consideration payable	31,721	41,016
Total deferred consideration payable as at 30 June	**48,741**	**54,012**

Note 39. Business combinations (continued)

Reconciliation of cash flows in relation to FY26 business combinations:

	Consolidated	
	2026	**2025**
	$'000	**$'000**
Net outflow in relation to the acquisition of WorkPac Group	(10,607)	-
Net outflow in relation to prior year acquisitions	(10,299)	(57,403)
Net cash flows for purchases of controlled entities	**(20,906)**	**(57,403)**

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.

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 is 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 i.e. 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. Transfers of financial assets

Receivables Purchase Arrangement

Immediately prior to Tasmea's acquisition of the WorkPac Group, WorkPac entered into a receivables purchase arrangement (“RPA”) with Westpac Banking Corporation in respect of certain of its trade receivables. Following completion of the acquisition, the arrangement forms part of the Group’s financing structure.

Under the arrangement, eligible trade receivables are sold to Westpac on a revolving basis. The facility has a Senior Participation limit of $130 million. At 30 June 2026, trade receivables of $101.9 million had been derecognised under the RPA.

Derecognition Assessment

Management has assessed the transfer in accordance with the derecognition requirements of AASB 9 *Financial Instruments*, including consideration of:

- transfer of contractual rights to cash flows;
- transfer of risks and rewards; and
- whether control over the receivables has been relinquished.

Management concluded that, while the Group retains some exposure to the risks and rewards of the receivables, it does not retain control of the transferred receivables. Accordingly, the receivables are derecognised from the statement of financial position.

Continuing Involvement

Although the receivables are derecognised, the Group retains continuing involvement through:
- a retained subordinated participation interest (mezzanine interest), representing a residual economic interest in the transferred receivables;
- a servicing arrangement under which the Group collects receivables on behalf of Westpac in exchange for a market-based servicing fee; and
- the senior participation amount received from Westpac in advance of the related receivables being generated, which is recognised as a liability.

The retained participation interest is recognised as a financial asset measured at amortised cost and is presented as a separate line within Trade and other receivables (note 16). The senior participation amount received in advance is recognised within Trade and other payables (note 24). At 30 June 2026, the carrying amounts were $12.5 million and $7.2 million respectively.

Classification and Measurement of Retained Interest

The retained subordinated participation interest has been classified as a financial asset measured at amortised cost.

Management has assessed the contractual cash flow characteristics of the retained interest and concluded that they represent solely payments of principal and interest on the principal amount outstanding (SPPI). The retained interest is held within a business model whose objective is to collect contractual cash flows. Accordingly, amortised cost measurement under AASB 9 is appropriate.

Economics of the Arrangement

Under the arrangement, eligible trade receivables are sold at face value less a funding margin representing Westpac's participation return. The Group earns a market-based servicing fee for administering collections on behalf of Westpac. Servicing fee income is recognised in profit or loss in accordance with AASB 15. Funding costs associated with the arrangement are recognised within finance costs.

Maximum Exposure to Loss

The Group's maximum exposure to loss arising from its continuing involvement in the derecognised receivables is limited to the carrying amount of its retained subordinated participation interest, net of the senior participation liability that would be extinguished in the same circumstances.

Note 40. Transfers of financial assets (continued)

The Group:
- has no obligation to repurchase receivables;
- does not provide credit guarantees or liquidity support; and
- does not provide additional financial support to Westpac.

Accordingly, the Group's maximum exposure to loss at 30 June 2026 was $5.3 million, being the retained subordinated participation interest of $12.5 million less the senior participation liability of $7.2 million.

Fair Value of Continuing Involvement

The carrying amount of the retained participation interest approximates its fair value at 30 June 2026 due to the short-term nature of the underlying receivables. The carrying amount of the senior participation liability also approximates its fair value, reflecting its short-term nature.

Maturity Analysis of Continuing Involvement

The retained participation interest relates to short-term trade receivables, which typically have contractual maturities of less than 60 days. As the Group has no contractual obligation to repurchase transferred receivables or otherwise provide financial support, there are no undiscounted cash outflows required to settle continuing involvement other than the senior participation liability of $7.2 million, which is settled through the ordinary collection of the underlying receivables within those maturities.

Cash Flows from the Arrangement

During the period, the Group received cash proceeds from the sale of receivables under the RPA and recognised collections and servicing fees in accordance with the contractual waterfall. Proceeds received from receivables sold under the RPA are classified within operating cash flows. The arrangement is revolving in nature.

Note 41. Parent entity information

As at, and throughout the financial year ending 30 June 2026, 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

	Parent 2026 $'000	Parent 2025 $'000
Profit for the year	32,728	17,918

Statement of financial position

	Parent 2026 $'000	Parent 2025 $'000
Current assets	1,430	2,452
Non-current assets	185,533	100,591
Current liabilities	(33,814)	(23,090)
Non-current liabilities	(3,694)	(9,416)
	149,455	70,537

	Parent 2026	Parent 2025
Share capital	275,358	176,296
Reserves	5,361	1,224
Accumulated losses	(131,264)	(106,983)
	149,455	70,537

Contingent liabilities

The parent entity has no contingent liabilities and no capital commitments for property, plant and equipment for the years ended 30 June 2026 and 30 June 2025.

The Company, as part of its 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.
- Dividends received from subsidiaries are recognised as other income by the parent entity

Note 42. Deed of cross guarantee

Pursuant to ASIC Corporations (Wholly-owned Companies) Instrument 2016/785, dated 17 December 2016, relief has been granted to certain wholly-owned subsidiaries in the Group from the Corporations law requirements for preparation, audit and lodgement of financial reports. As a condition of this instrument, Workpac Group Pty Ltd, a subsidiary of Tasmea Limited, and each of the controlled entities of Workpac Group Pty Ltd entered into a Deed of Cross Guarantee as at 27 June 2022. Tasmea Limited is not a party to the Deed of Cross Guarantee.

Note 43. 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 44 and the remuneration report included in the directors' report.

Transactions with related parties
Regent Street Pty Ltd (Regent Street) is jointly controlled by key management personnel, Stephen Young and Mark Vartuli.

Equity & Advisory Limited is a related entity as key management personnel, Stephen Young, Mark Vartuli and Simone Thompson are all directors of Equity & Advisory Limited. SY & MV Pty Ltd, an entity associated with Messrs Young and Vartuli, holds 45.1% of Equity & Advisory Limited and has significant influence over the entity.

Yura Yarta Services is a related entity as key management personnel, Stephen Young and Jason Pryde are directors of Yura Yarta Services. Tasmea Limited holds a 49% equity interest in Yura Yarta Services and is classified as an associate of the Group under AASB 128.

Pryde Corporation Pty Ltd is controlled by key management personnel, Jason Pryde.

The following related party transactions with these entities occurred during the year ended 30 June 2026.

Regent Street - Edinburgh Park premises
Regent Street holds lease agreements with several Tasmea subsidiaries for its property at Kaurna Avenue, Edinburgh Park. Each lease was granted for an initial nine-month term with a six-month renewal option thereafter unless terminated under the lease terms, and each has been renewed at the end of its initial term. Current arrangements are as follows:

Heavymech Pty Ltd – Bay 1 (5,000 sqm hard stand, desks and offices in shared office space, and carparks), commencing 1 April 2023 at $19,549.17 per month.

Fabtech Australia Pty Ltd – Bay 2 (1,000 sqm hard stand, desks in shared office space, and carparks), commencing 1 March 2023 at $17,274.58 per month.

Quarry & Mining Manufacture Pty Ltd – Bay 3 (desks and offices in shared office space, 5,000 sqm hard stand, and 20 carparks), commencing 1 February 2023 at $22,988.96 per month.

A. Noble & Son Pty Ltd – Bay 4 (2,000 sqm, desks and offices in shared office space, carparks, and an outdoor shed), commencing 1 October 2022 at $17,912.29 per month.

Note 43. Related party transactions (continued)

Regent Street - Mt Isa premises
Regent Street holds 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) and expiring 31 July 2027.

Regent Street - Northfield premises
Regent Street had a lease with Heavymech Pty Ltd for the Northfield premises at $13,106 per month (exclusive of GST) from 15 February 2025. The lease ended on 30 November 2025, on completion of Heavymech's relocation to the Edinburgh Park premises.

Shared Services Agreement between Tasmea Corporate Services and Equity & Advisory Limited
Tasmea Corporate Services Pty Ltd, 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.

For the year ended 30 June 2026, Tasmea Corporate Services invoiced Equity & Advisory $280,712 (excluding GST) under the agreement, including approximately $12,000 per month for services and additional recharged costs.

Equity & Advisory also acted as corporate advisor to Tasmea Limited in relation to corporate advisory and business acquisitions, invoicing Tasmea Corporate Services $223,425 (excluding GST) during the year.

Pryde Corporation - Jandakot premises
Pryde Corporation Pty Ltd holds a lease agreement with Tasman Power WA Pty Ltd for the property at 75 Verde Drive, Jandakot WA. The initial five-year term commenced 6 June 2021 at $18,000 per month (exclusive of GST), increasing by 4.0% per annum. On 23 June 2026, the parties agreed to exercise the first three-year option under the lease, commencing 6 June 2026 at a revised rent of $18,895 per month (exclusive of GST).

Property lease – Stephen Young
During the year, Tasmea Corporate Services Pty Ltd, a wholly owned subsidiary of Tasmea Limited, entered into a lease agreement with Managing Director Stephen Young for a property at Applecross WA. The lease commenced 1 January 2026 for an initial term of twelve months at $52,000 per annum, continuing thereafter on a month-to-month basis unless terminated by either party on notice.

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 2026.

Transactions with associate companies

Transactions with Yura Yarta Services Pty Ltd
Tasmea Limited holds a 49% equity interest in Yura Yarta Services Pty Ltd. Tasmea Limited has significant influence over Yura Yarta through its shareholding and board representation. Accordingly, Yura Yarta Services Pty Ltd is classified as an associate of the Group under AASB 128 and is a related party for the purposes of related party disclosures.

During the reporting period, certain Tasmea subsidiaries including ICE Engineering & Construction Pty Ltd, M&B Civil Pty Ltd and Tasman Power WA engaged Yura Yarta Services Pty Ltd to provide trade labour and related site services in connection with maintenance, shutdown and project activities. These transactions were conducted in the ordinary course of business.

Tasmea subsidiaries including Tasmea Corporate Services Pty Ltd, Groundbreaking Mining Solutions Pty Ltd and M&B Civil Pty Ltd invoiced Yura Yarta Services Pty Ltd for services and additional recharged costs.

Note 43. Related party transactions (continued)

Transactions with JobTrail Pty Ltd

WorkPac Pty Ltd holds a 40% non-controlling interest in JobTrail Nominees Pty Ltd and JobTrail Pty Ltd (collectively "JobTrail"). WorkPac has significant influence over JobTrail Pty Ltd through its shareholding and board representation. Accordingly, JobTrail Pty Ltd is classified as an associate of the Group and is considered a related party for the purposes of related party disclosures. During the reporting period, certain WorkPac subsidiaries transacted with JobTrail Pty Ltd. These transactions were conducted in the ordinary course of business and on arm's length terms. JobTrail engaged WorkPac subsidiaries to provide recruitment and labour hire services. In addition, WorkPac subsidiaries engaged JobTrail to provide training and workforce support services.

The following transactions occurred with related parties:

	Consolidated	
	2026	2025
	$	$
Sale of goods and services:		
Sale of services to Equity & Advisory Limited	280,712	239,410
Sale of services to JobTrail Pty Ltd	5,364,871	-
Sale of services to Yura Yarta Services Pty Ltd	9,416,893	6,191,376
Payment for goods and services:		
Payment for services from Equity & Advisory Limited	223,425	379,618
Payment for services from JobTrail Pty Ltd	5,706,380	-
Payment for rent to Regent Street Properties	1,668,645	1,330,394
Payment for services from Yura Yarta Services Pty Ltd	6,854,884	3,238,963
Payment for rent to Pryde Corporation	239,821	230,597
Payment for rent to Stephen Young	30,000	-

Amounts payable to related parties

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

	Consolidated	
	2026	2025
	$	$
Current receivables:		
Trade receivables from related parties	2,246,684	847,998
Other receivable from JobTrail Pty Ltd	622,743	-
Non-current receivables:		
Loan receivable from JobTrail Pty Ltd	878,946	-
Current payables:		
Rent and other payables to related parties	911,161	443,785
Other payable to JobTrail Pty Ltd	673,519	-

Note 44. 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 2026 $	2025 $
Short-term employee benefits	4,485,856	3,554,065
Post-employment benefits	200,716	168,927
Long-term benefits	18,033	8,674
Share-based payments - shares	272,556	439,725
Share-based payments - options	3,349,225	528,051
	8,326,386	4,699,442

Note 45. Commitments

	Consolidated 2026 $'000	2025 $'000
Short Term Lease commitments - operating		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	-	150
Lease commitments - finance		
Committed at the reporting date and recognised as liabilities, payable:		
Within one year	-	6

Note 46. Contingent liabilities

The Group had contingent liabilities in respect of:

	Consolidated 2026 $'000	2025 $'000
Bank guarantee facilities		
Amount used	21,987	13,886
Amount available	13,013	14,014
	35,000	27,900

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

Note 46. Contingent liabilities (continued)

contractual obligations. Claims of this nature arise in the ordinary course of construction contracting. Where appropriate, a provision is made for these issues.

	Consolidated	
	2026 $'000	2025 $'000
Business acquisition costs		
Acquisition costs relating to the purchase of Groundbreaking Mining Solutions	-	2,000
	-	2,000

A deferred consideration was agreed with the previous owners of Groundbreaking Mining Solutions (GMS), comprising additional cash payments of up to $2.0 million per year for each of the 2024, 2025 and 2026 financial years, contingent on GMS achieving its EBITDA target for that year and the vendors remaining employed by GMS. The EBITDA target for the 2026 financial year was not met, and accordingly no additional consideration is payable in respect of FY26.

Note 47. Remuneration of auditors

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

	Consolidated	
	2026 $	2025 $
Audit services		
Audit or review of the financial statements	1,024,100	423,500
Other services		
Tax services provided by EY	15,750	-
	1,039,850	423,500

Note 48. Events after the reporting period

Maxim Group Acquisition

On 1 July 2026, Tasmea Limited completed the acquisition of 100% of Maxim Group Australia Pty Ltd and its wholly-owned subsidiaries (Maxim Electrical Services, Maxim Infrastructure and Maxim Management Group) ("Maxim Group"), pursuant to a Share Purchase Agreement executed on 1 June 2026 and announced to the ASX on 2 June 2026.

Maxim Group is a market-leading specialist electrical contractor headquartered in Victoria, with established credentials across data centres, major government infrastructure, and battery energy storage system (BESS) and renewable energy markets. The acquisition establishes Tasmea as a leading specialist electrical platform with national scale, and further expands the Group's Electrical segment with direct exposure to data centre, BESS and major infrastructure end-markets.

As the acquisition completed after the reporting date, no revenue or profit contribution from Maxim Group is included in the Group's results for the year ended 30 June 2026.

Goodwill of $211.5 million is primarily related to the assembled workforce, customer relationships and expected future profitability of Maxim Group, including its long-term data centre and infrastructure pipeline, and has been allocated to the Electrical segment cash-generating unit. The values identified in relation to the acquisition of Maxim Group are provisional as at the date these financial statements were authorised for issue, pending finalisation of completion accounts and a full purchase price allocation. The Group expects to finalise the purchase price allocation within twelve months of the acquisition date, in accordance with AASB 3 Business Combinations.

Options issued as part consideration
The purchase agreement with the vendors included shares issued as part of the consideration (12,000,000 Tasmea Limited shares), which are subject to a floor price guarantee of $6.00 per share to 30 June 2027.

Under the price guarantee:
- Tasmea is required to make a payment if the vendors dispose of eligible Tasmea shares during the Exercise Period (1 July to 7 July 2027) at a price below $6.00 per share
- Eligible Buyer Shares are those held continuously by the vendors until 5.00pm (Adelaide time) on 30 June 2027.

As the guarantee provides the vendors with a minimum value of $6.00 per share, the arrangement represents a written option linked to movements in the Company's share price, and Tasmea's obligation has been recognised as a derivative liability at fair value at the date of acquisition.

Contingent consideration
As part of the purchase agreement with the vendors, a contingent consideration arrangement was agreed. Up to three cash earn-out payments of approximately $23.33 million each (up to $70.0 million in total) are payable on 30 September 2027, 2028 and 2029, contingent on Maxim Group achieving Maintainable EBIT of at least $50.0 million in each of FY27, FY28 and FY29. Where Maintainable EBIT is below this hurdle, the earn-out is reduced by $2.00 for every $1.00 shortfall, with no earn-out payable where Maintainable EBIT is $38.3 million or less in the relevant year. A cumulative catch-up earn-out payment is also payable in cash if cumulative Maintainable EBIT over the three years reaches $150.0 million.

As at the acquisition date, the fair value of the contingent consideration was estimated to be $64.152 million.

Note 48. Events after the reporting period (continued)

Details of the acquisition are as follows:

	Fair value $'000
Cash and cash equivalents	36,886
Trade receivables	37,176
Inventories	217
Property, plant & equipment	18
Right-of-use assets	2,554
Intangible assets	78,000
Deferred tax asset	2,674
Trade payables	(45,874)
Provision for income tax	(32,903)
Employee benefits	(4,677)
Lease make good provision	(45)
Lease liability	(2,555)
Net assets acquired	71,471
Goodwill	211,451
Acquisition-date fair value of the total consideration transferred	282,922
Representing:	
Cash paid to vendor	110,865
Tasmea Limited shares issued to vendor	103,200
Derivative liability	4,705
Contingent consideration	64,152
	282,922
Acquisition costs expensed to profit or loss	(247)
Cash used to acquire business, net of cash acquired:	
Acquisition-date fair value of the total consideration transferred	282,922
Less: cash and cash equivalents acquired	(36,886)
Less: contingent consideration	(64,152)
Less: shares issued by Company as part of consideration	(103,200)
Less: options issued as part of consideration	(4,705)
Net cash used	73,979

Note 48. Events after the reporting period (continued)

JPS Group Acquisition

On 3 August 2026, Tasmea Limited completed the acquisition of 100% of JPS Holdings Pty Ltd and its related entities (JPS Management & Execution Pty Ltd and Safe Isolation Australia Pty Ltd) ("JPS Group"), pursuant to a Share Purchase Agreement executed on 23 June 2026 and announced to the ASX on 24 June 2026.

JPS Group is a leading integrated services provider to the Australian energy sector, with established credentials across LNG operations and maintenance, shutdown and campaign execution, specialist project execution, and tech-enabled isolation services. JPS Group serves a Tier-1 energy client base under more than 10 long-term Master Services Agreements, and through its Safe Isolation Australia business is the sole Australian distributor and execution partner for a patented double block and bleed isolation technology. The acquisition forms part of the Group's Mechanical segment and diversifies the Group's earnings into Australia's LNG, gas and critical energy infrastructure markets.

As the acquisition completed after the reporting date, no revenue or profit contribution from JPS Group is included in the Group's results for the year ended 30 June 2026.

Given the proximity of the acquisition date, to the date these financial statements were authorised for issue, the accounting for the acquisition of JPS Group has only been completed on a provisional basis, pending finalisation of completion accounts and a full purchase price allocation. The Group expects to finalise the purchase price allocation within twelve months of the acquisition date, in accordance with AASB 3 Business Combinations. Accordingly only summarised fair values of the identifiable assets acquired, liabilities assumed, and the resulting goodwill have been disclosed below.

Goodwill of $56.9 million is primarily related to the assembled workforce, customer relationships and expected future profitability of JPS Group, and has been allocated to the Mechanical segment cash-generating unit.

Options issued as part consideration
The purchase agreement with the vendors included shares issued as part of the consideration (3,011,765 Tasmea Limited shares), which are subject to a floor price guarantee of $8.50 per share to 30 June 2027.

Under the price guarantee:

- Tasmea is required to make a payment if the vendors dispose of eligible Tasmea shares during the Exercise Period (1 July to 15 July 2027) at a price below $8.50 per share
- Eligible Buyer Shares are those held continuously by the vendors until 7.00pm (Adelaide time) on 30 June 2027.

As the guarantee provides the vendors with a minimum value of $8.50 per share, the arrangement represents a written option linked to movements in the Company's share price, and Tasmea's obligation has been recognised as a derivative liability at fair value at the date of acquisition.

Contingent consideration
As part of the purchase agreement with the vendors, a contingent consideration arrangement was agreed. Up to four cash earn-out payments of approximately $6.25 million each (up to $25.0 million in total) are payable across FY27, FY28, FY29 and FY30, contingent on JPS Group achieving a Maintainable EBIT target of at least $12.0 million per annum Where Maintainable EBIT is below this hurdle, the earn-out is reduced by $2.00 for every $1.00 shortfall, with no earn-out payable where Maintainable EBIT is $8.875 million or less in the relevant year. A cumulative catch-up earn-out payment is also payable in cash if cumulative Maintainable EBIT over the four years reaches $35.5 million.

As at the acquisition date, the fair value of the contingent consideration was estimated to be $22.4 million.

Note 48. Events after the reporting period (continued)

Summarised details of the acquisition are as follows:

	Fair value $'000
Current assets	11,789
Non-current assets	23,071
Current liabilities	(13,345)
Non-current liabilities	(297)
Net assets acquired	21,218
Goodwill	56,878
Acquisition-date fair value of the total consideration transferred	78,096
Representing:	
Cash paid to vendor	25,880
Tasmea Limited shares issued to vendor	25,540
Derivative liability	4,277
Contingent consideration	22,399
	78,096
Acquisition costs expensed to profit or loss	115
Cash used to acquire business, net of cash acquired:	
Acquisition-date fair value of the total consideration transferred	78,096
Less: cash and cash equivalents acquired	(6,403)
Less: contingent consideration	(22,399)
Less: shares issued by Company as part of consideration	(25,540)
Less: options issued as part of consideration	(4,277)
Net cash used	19,477

Other than the matters disclosed above and the final dividend declared on 27 August 2026, no other matter or circumstance has arisen since 30 June 2026 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.

Entity name	Entity type	Country of incorporation	Trustee, partner, or JV	Share of interest %	Tax residency	Foreign tax jurisdiction
Tasmea Limited	Body Corporate	Australia	n/a	-	Australia	n/a
A. Noble & Son Pty Ltd	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
Dingu Blue Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Fabtech Australia Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Fabtech Holdings 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
GiveBack Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Gold Training 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
IHAC Invest Co Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Inoteq Group Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Inoteq Offshore Services Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Inoteq Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
JobTrail Services 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
MyneSight 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
PathLinc 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
REC Investco 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
Site Fleet 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
Tasman Skilled 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

Entity name	Entity type	Country of incorporation	Trustee, partner, or JV	Share of interest %	Tax residency	Foreign tax jurisdiction
Tasmea Corporate Services Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Tasmea Electrical Holdings Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
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 Mechanical Holdings 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 (Australasia) Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Texplore 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
wes.jobs Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
Westplant Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
WorkPac Construction Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
WorkPac Group Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
WorkPac Group Training Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
WorkPac Health and Social Care Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
WorkPac Holdings Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
WorkPac HSC Staffing No. 1 Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
WorkPac HSC Staffing No. 2 Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
WorkPac HSC Staffing No. 3 Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
WorkPac Mining Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
WorkPac Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
WorkPac Securities Pty Ltd	Body Corporate	Australia	n/a	100%	Australia	n/a
WorkPlus MSP Pty Ltd	Body Corporate	Australia	n/a	100%	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
ACN 631 235 320 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*.

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 IFRS Accounting 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 2026 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 2026.

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 Young	Mark Vartuli
Managing Director	Chief Executive Officer

27 August 2026

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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 2026, 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 2026 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 audits of the financial report of public interest entities 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 $1,293 million for the year 30 June 2026. $1,252 million or 96.8% of this revenue is derived through the rendering of services as disclosed in Note 5. Recognition of revenue from services is recognised over time and at a point in time. For fixed price contracts specifically, revenue recognition is 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: Evaluating the design of management's processes and relevant controls over the recognition of contract revenue. Selecting a sample of fixed price contracts and recalculating revenue recognised by: ▪ Agreeing contractual entitlements to approved customer contracts, purchase orders and variation orders; ▪ Evaluating forecast costs to complete through 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 for at 30 June 2026; 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
The Group entered into several business combinations during the financial year which are significant to the consolidated financial statements as disclosed in Note 39 and Note 48. Business combinations are complex transactions that require management to exercise signficant judgment and apply accounting estimates to determine the appropriate recognition and measurement of consideration transferred,	Our audit procedures included: ▪ 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

Why significant	How our audit addressed the key audit matter
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 2026, the Group's goodwill balance is $226.8 million and is a significant asset of the Group 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	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

Why significant	How our audit addressed the key audit matter
can have a material impact on the evaluation of goodwill. Accordingly, this was considered a key audit matter.	comparing them to historical 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 2026 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

- 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 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 19 to 30 of the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Tasmea Limited for the year ended 30 June 2026, 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

Ernst & Young

David Sanders
Partner
Adelaide
27 August 2026

Tasmea Limited

ABN 22 088 588 425

Sustainability Report - 30 June 2026

1. About this Report

1.1 Reporting entity and period

Tasmea Limited is a Group 1 reporting entity required to prepare climate-related financial disclosures in accordance with AASB S2 Climate-related Disclosures for the financial year ending 30 June 2026. This document constitutes the Group's sustainability report for the purposes of the Corporations Act 2001. All monetary amounts in this report are presented in Australian dollars (AUD), consistent with the presentation currency of the Group's Consolidated Financial Statements for the year ended 30 June 2026.

1.2 Statement of Compliance

This report represents a complete set of climate-related financial disclosures for Tasmea Limited and its subsidiaries ("the Group") for the year ended 30 June 2026, prepared in accordance with AASB S2 Climate-related Disclosures and the Corporations Act 2001. As this is the first year in which the Group has applied AASB S2, the Group has elected to apply the transitional reliefs listed in Section 1.4 below. This report is issued concurrently with the Group's FY26 Annual Report.

This report has been prepared for the same consolidated reporting entity and reporting period as the Group's Consolidated Financial Statements and incorporates climate-related information for the parent company and all subsidiaries within the Group. This report is based on the same underlying data and assumptions used in preparing the Financial Report.

This report has been prepared to comply with AASB S2 Climate-related Disclosures as adopted under the Australian Sustainability Reporting Standards (ASRS) framework and the Corporations Act 2001 (Cth). The Group has considered whether any events occurring between 30 June 2026 and 27 August 2026, being the date this report was authorised for issue, would reasonably be expected to influence the decisions of primary users of financial reports. No such events have been identified.

1.3 Key Judgements and Measurement Uncertainties

In preparing this disclosure, the Group has applied judgement in a small number of areas, and identified sources of measurement uncertainty, summarised below.

- **Qualitative-only financial effects disclosure (J2F-1)** - where the Group is unable to provide quantitative information about the anticipated financial effects of a climate-related risk or opportunity, because the level of measurement uncertainty is so high that the resulting quantitative information would not provide useful information, or because the financial effects cannot be separately identified from the effects of other factors, the Group has explained those circumstances and provided qualitative information about the anticipated financial effects instead. In those cases the Group identifies the line items, totals and subtotals within the related financial statements that are likely to be affected, or have been affected, by the relevant climate-related risk or opportunity. The Group has also considered whether quantitative information about the combined financial effects of the relevant climate-related risk or opportunity, together with other climate-related risks and opportunities and other factors, would provide useful information; where such combined quantitative information is not disclosed, this is because it would not provide useful information to users of general purpose financial reports. See section 3.6 for the basis applied to each disclosed risk and opportunity.
- **Measurement uncertainty (Scope 1 and Scope 2 GHG emissions)** - uncertainty arises from the mix of measured and verified activity data and the emission factors applied. Scope 1 and Scope 2 emissions are based on activity data directly measured via fuel card statements, electricity invoices and gas meter reads, with NGAF 2025 emission factors applied. No estimation was required to fill activity data gaps for FY26; all subsidiaries held complete activity data in the Centralised Data Collection Model, with small residual gaps treated as immaterial (Judgement J2E-6). On this basis, aggregate measurement uncertainty is estimated at ±3–10% by source, and is expected to reduce over time as data collection processes mature.

1.4 Year 1 Transitional Reliefs Invoked

As this is the first year in which the Group has applied AASB S2, it has applied the following transition reliefs for the first annual reporting period:

- not to disclose comparative information in this report; and
- not to disclose Scope 3 GHG emissions.

No transition reliefs other than those listed above have been applied.

2. Governance

2.1 Board Oversight

The Tasmea Board of Directors maintains ultimate oversight responsibility for climate-related risks and opportunities. Climate risks and opportunities are a standing item on the Audit and Risk Committee (ARC) agenda pursuant to ARC Charter section 5(a)(viii), which requires the ARC to review and monitor climate-related risk exposures and opportunities and the effectiveness of management's response.

The ARC:
- Reviews and endorses the Climate Risk and Opportunity (CRRO) Register on an annual basis;
- Oversees the AASB S2 compliance program, including the adequacy of disclosure controls and data quality;
- Receives reports from the Chief Financial Officer (CFO) on material developments in climate risk or regulatory change; and
- Escalates material climate risks and opportunity matters to the full Board for resolution.

Trigger-based escalation to the ARC and full Board is required for:
(i) material climate events or opportunities;
(ii) significant regulatory change, such as new AASB S2 guidance or Safeguard Mechanism amendments; and
(iii) acquisitions with material climate risk or opportunity profiles.

During FY26, no matters met the escalation triggers set out above - no material climate events, significant regulatory changes, or acquisitions with a material climate risk profile were escalated to the ARC or Board during the year.

The Board and Audit and Risk Committee do not currently have a documented process for assessing the climate-related skills and competencies available to it, or for identifying and developing skills and competencies it may need.

The Board takes climate-related risks and opportunities into account when overseeing the Group's strategy principally through its acquisition due diligence and approval process (see Section 3.1), under which the climate transition and physical risk profile of acquisition targets is assessed, with acquisitions carrying a material climate risk profile escalated to the Audit and Risk Committee and full Board for consideration ahead of completion. Outside of this process, the Board and Audit and Risk Committee have not formally identified or documented specific trade-offs between climate-related risks and opportunities and other strategic considerations during FY26.

2.2 Management Responsibility

The Chief Financial Officer (CFO) holds direct management responsibility for the AASB S2 compliance program. The CFO is accountable for overseeing the preparation, integrity and completeness of this disclosure, and for ensuring that climate-related financial effects are appropriately reflected in the Group's financial statements.

The Executive Directors are responsible for providing segment-level inputs on climate-related risks and opportunities, confirming the CRRO Register for their respective subsidiaries, and ensuring that climate-related risks and opportunities are integrated into subsidiary operational planning. This relies on the Executive Directors' operational oversight and knowledge of their respective businesses, rather than a formal documented sign-off process. This accountability is exercised through the Group's twice-yearly executive strategy meetings, at which segment-level climate-related risks and opportunities are discussed and consolidated into the Group CRRO Register.

Day-to-day climate risk monitoring and AASB S2 compliance activities are co-ordinated by the CFO, with input from Executive Directors and subsidiary management teams.

2.3 Governance over climate-related metrics and the Climate Risk and Opportunity Register

Greenhouse gas emissions data is captured in a centralised system, with data inputs provided by subsidiary finance controllers. The CFO reviews data for completeness and reasonableness prior to disclosure.

Climate data controls are integrated with the Group's broader financial reporting environment: the centralised system used for data collection operates within the same platform used for Tasmea's management reporting, with month-end locking controls preventing unauthorised post-close amendments and comprehensive audit logs capturing user activity and version history, consistent with the Group's financial close cycle and control framework. Each subsidiary completes a periodic ESG Data Integrity Report, reconciling activity data submitted to underlying expense and operational records (e.g. fuel and electricity invoices), reviewed by Group Finance ahead of month-end close.

The CRRO Register is subject to a corresponding governance process. The CFO reviews the Register on an ongoing basis, and it is refreshed in full annually as a standing Audit and Risk Committee (ARC) agenda item. ARC review and endorsement of the Register is a committed action prior to finalisation of this disclosure. The Register uses the same risk rating methodology and consequence framework as the Group's broader Tasmea Risk Register (see Section 4.4 for the status of formal integration between the two).

2.4 Integration with remuneration

As at the date of this report, Tasmea's executive remuneration framework does not include explicit climate-related key performance indicators (KPIs). The Board will consider whether to incorporate climate KPIs into executive remuneration as the compliance program matures.

3. Strategy

3.1 Business model and value chain

Tasmea Limited is a diversified engineering services group providing electrical, mechanical, civil, water and fluid services, and workforce solutions to mining, energy, infrastructure and industrial clients across Australia. The Group employs an asset-light, owner-operator model with 28 operating subsidiaries across five reportable segments, providing maintenance, construction, and specialist contracting services under Master Services Agreements and project-specific contracts.

Segment	% of Group Revenue	Key Subsidiaries
Electrical	23.4%	Tasman Power, ICE Engineering & Construction, Sigma Power Services, Future Engineering & Communication, Future Power, Tasman Asset Management Services, Vertex Power
Mechanical	12.2%	Tasman Rope Access, A Noble & Son, Rollwell Engineering, Heavymech, QMM, Groundbreaking Mining Solutions
Civil	11.3%	NWMC Mining & Civil, Flanco Group, M&B Civil, Dingo
Water & Fluid	6.1%	Fabtech, WCLS Lining Systems, Laptek Systems, Technical Lubrication Services, VTX, Auspress
Workforce Solutions*	47.8%	WorkPac Group and subsidiaries
Unallocated corporate entities and intersegment eliminations	(0.4%)	Tasmea Corporate Services, Tasmea Plant Services, Parent, Eliminations

** WorkPac Group (100% owned) was acquired in December 2025 and is included within the reporting boundary from the acquisition date (1 December 2025). FY26 consolidated results include WorkPac for approximately seven months. Refer to note 39 Business Combinations in the Notes to the Consolidated Financial Statements in the Group's FY26 Annual Report for further detail on the acquisition.*

Tasmea's earnings growth strategy is built on two complementary pillars: programmatic acquisitions targeting businesses with established earnings profiles that deepen capability across the Group's five segments, and organic earnings growth within each subsidiary driven by expanded client relationships, new contract wins and operational leverage.

The acquisition led model, combined with disciplined organic growth in each subsidiary, is the primary driver of Tasmea's earnings trajectory. Climate considerations - including transition risk exposure in acquisition targets and the physical risk profile of new geographies - are integrated into the Group's acquisition due diligence process, and acquisitions with material climate risk profiles are escalated to the Audit and Risk Committee and full Board for consideration ahead of completion, as set out in Section 2.1.

The Group's value chain is characterised by significant exposure to the mining sector and a growing exposure to electrification and renewables. The Civil segment operates the heaviest diesel plant fleet in the Group, making it the largest Scope 1 emitter. Physical climate exposures are concentrated in the Pilbara (WA), Goldfields (WA), and Cooper Basin (SA/QLD/NT) regions, where field-deployed workforces operate in high-heat environments and are exposed to acute weather events.

The Group has reviewed its current and committed capital expenditure plans, acquisition pipeline and divestment strategy in light of the climate-related risks and opportunities identified above. No material climate-specific capital expenditure programs, transition investments or divestments have been formally adopted at Group level for FY26; identified opportunities are pursued through the Group's ordinary acquisition and capital allocation processes rather than a dedicated climate capital program. Certain subsidiaries have implemented operational initiatives - including fleet electrification and on-site solar installations - as part of their established business models; these do not represent a Group-wide capital reallocation strategy. The expenditure associated with these initiatives is not separately tracked at Group level, as they are managed as part of ordinary subsidiary operating and capital expenditure rather than as a distinct climate-related program. Climate-related drivers are monitored through industry outlook, client demand assessment and the risk management processes described in Section 4, and may influence future capital allocation, investment, disposal and funding decisions where commercially justified.

In addition to the direct mitigation and adaptation responses described above, the Group has identified indirect opportunities to mitigate and adapt to climate-related risk through its supply chain and business relationships. These include increased use of recycled copper and steel inputs and continued development of local supplier partnerships across the Electrical, Mechanical and Civil segments, which reduce embodied-emissions exposure and materials supply chain risk. These are identified opportunities rather than committed Group programs as at the date of this report; formalisation of climate-related opportunities such as these will be considered as part of the Group's FY27 transition plan roadmap.

Tasmea does not currently have a formal Board-approved climate transition plan. The Group's response to climate-related risks and opportunities is currently managed through the risk management, scenario analysis and CRRO Register processes described in this report, together with the subsidiary led emissions reduction initiatives described above. Development of a formal transition plan will be considered as part of the Group's FY27 roadmap of committed actions.

3.2 Time horizons

The Group has defined three time horizons linked to its strategic planning cycles:

- Short term: FY27 (0–1 year) - the next annual reporting period, aligned to immediate regulatory obligations and operational planning cycles.
- Medium term: FY28 to FY30 (2–4 years) - aligned to the next LTI program horizon and the typical MSA/FMA contract cycle.
- Long term: FY31 to FY50+ (5–25+ years) - aligned to infrastructure asset life cycles of key client sectors (mining, water, power) and Australian 2050 net zero pathway.

3.3 Climate-related risks and opportunities identified

The Group has completed a comprehensive CRRO identification and assessment process, using all reasonable and supportable information available at reporting date without undue cost or effort. The following tables include the seven climate-related risks and four climate-related opportunities that could reasonably be expected to affect the Group's prospects.

Climate-Related Risks

Type	Risk Description	Segments	Horizon
Transition - Market	Client decarbonisation and commodity transition risk: mining clients whose facilities are liable under the Safeguard Mechanism face tightening obligations to reduce their own Scope 1 emissions, and are cascading emissions data and performance requirements to contractors, including Tasmea, as part of that effort. All segments have material mining client concentration, creating exposure to contract loss or pricing pressure if the Group cannot demonstrate credible emissions management. Separately, sustained structural decline in demand for carbon-intensive commodities (e.g. thermal coal, oil and gas) could reduce contract volumes from affected clients, although the Group's exposure is mitigated by its maintenance-led service model - which supports mining equipment regardless of end-commodity demand - and by diversification across a broad range of resources, including iron ore, gold and copper, rather than concentration in fossil-fuel-linked commodities.	Electrical, Mechanical, Civil, Water & Fluid, Workforce Solutions	Short-Medium
Transition	Workforce skills transition - stranded combustion-plant trades: Retraining and capability transition needs are emerging for mechanical fitters specialised in diesel and gas-fired combustion plant, as demand shifts toward electrified and low-carbon asset maintenance over time.	Electrical, Mechanical, Civil, Water & Fluid, Workforce Solutions	Medium-Long
Transition	Workshop energy and carbon cost exposure: Workshop energy costs across fabrication and space-heating facilities, contribute to the Group's Scope 1 and 2 inventory and are subject to ongoing monitoring as a potential future compliance-cost driver.	Electrical, Mechanical, Civil, Water & Fluid, Workforce Solutions	Short-Medium
Physical - Acute	Cooper Basin flooding recurrence: M&B Civil, one of four subsidiaries within the Civil segment, experienced localised flooding disruption in FY26. The risk of recurrence creates ongoing exposure to project delivery delay and equipment damage at the subsidiary level, with limited Group-level financial impact given M&B Civil's scale within the segment.	Civil	Short-Long
Physical - Acute	Extreme heat - workforce disruption: Field-deployed workforces in the Pilbara, Goldfields and Cooper Basin regions face increasing frequency and severity of extreme heat events, creating risks of WHS incidents, mandatory stop-work orders, reduced productivity and increased workers' compensation costs.	Electrical, Mechanical, Civil, Water & Fluid, Workforce Solutions	Short-Long
Physical - Chronic	Rising temperatures - long-term labour productivity: Sustained increases in average and peak temperatures will structurally reduce outdoor labour productivity for field-deployed segments over the medium to long term, particularly in the Pilbara and Cooper Basin.	Electrical, Mechanical, Civil, Workforce Solutions	Medium-Long
Physical - Acute	Bushfire, flood and cyclone events: Acute weather events disrupt project delivery, mobilisation logistics and client site access, with the Civil segment most exposed given earthworks concentration in flood-prone and cyclone-affected regions.	Electrical, Mechanical, Civil, Workforce Solutions	Short-Medium

Climate-Related Opportunities

Type	Opportunity Description	Segments	Horizon
Products & Services	Electrification and renewables build-out: Strong and confirmed revenue growth driven by demand for BESS installation, EV charging infrastructure, electric mining fleet commissioning, hydrogen services, green steel, AEMO ISP transmission upgrades, solar and wind. All seven Electrical subsidiaries are actively generating revenue across this theme and Electrical Segment revenue grew 38.3% in FY26.	Electrical	Short-Long
Markets	Government climate adaptation civil works: Federal and state government climate adaptation expenditure is generating confirmed civil infrastructure revenue, including flood mitigation, water management and resilience upgrades.	Civil, Water & Fluid	Medium-Long
Markets	Water and fluid climate adaptation: Mine water management, tailings reuse, desalination, hydrogen production fluid systems and CCS pipework represent a growing addressable market for the Water & Fluid segment.	Water & Fluid	Medium-Long
Markets	Critical minerals processing plant maintenance: The global energy transition is increasing demand for lithium, nickel, copper and rare earths as critical inputs to batteries, electric vehicles and renewable energy infrastructure. This is driving investment in, and expansion of, critical minerals processing capacity, growing the addressable market for the sustaining capital maintenance services that these processing facilities require.	Electrical, Mechanical, Civil, Water & Fluid	Short-Medium

3.4 Scenario Analysis

Tasmea has assessed the resilience of its strategy under two climate scenarios consistent with the IPCC Sixth Assessment Report (AR6), taking into consideration the entity's identified climate-related risks and opportunities, applied across all five segments over three time horizons:

Scenario	Temperature Outcome	Key Characteristics	Primary Risk Driver
SSP1-1.9	≤1.5°C - Paris-aligned, orderly transition	Rapid decarbonisation of the energy system; strong policy and technology transition; Safeguard Mechanism baselines tighten as legislated (4.9% p.a.); ~90% coal asset retirement by 2035 per AEMO ISP; structural electrification of transport, mining and industry.	Transition risks dominant: client decarbonisation pressure (Safeguard Mechanism cascade and commodity demand exposure) on mining clients; stranded combustion-plant maintenance skills; workshop emissions compliance costs. Significant upside for the Electrical segment from the electrification opportunity.
SSP5-8.5	>4°C - high-emissions, fragmented response	Delayed and uncoordinated policy response; continued fossil fuel dependence; significantly elevated frequency and severity of acute and chronic physical hazards across Australia, particularly in QLD, SA and WA.	Physical risks dominant: extreme-heat-driven workforce disruption and chronic productivity loss; increasing frequency of flooding.

The scenario analysis was prepared by management during Q3 FY26 and reviewed internally prior to inclusion in this disclosure; consistent with the Group's governance practice (Section 2.1), the outputs have also been presented to the Audit and Risk Committee prior to finalisation of the FY26 sustainability report.

The two scenarios were selected as a contrasting pair commensurate with Tasmea's circumstances - a Paris-aligned orderly-transition pathway and a high-emissions fragmented-response pathway - to bound the plausible range of transition and physical risk outcomes relevant to Tasmea's operations. This pairing was chosen because it tests the Group's exposure to its identified cllimate-related risks and opportunities: the orderly-transition scenario captures accelerating decarbonisation and Safeguard Mechanism-driven cost pressure on mining clients, alongside upside from electrification demand; the fragmented, high-emissions scenario captures worsening acute physical risk across Tasmea's key operating regions - the Pilbara, Goldfields and Cooper Basin. This approach is also consistent with emerging Wave 1 market practice.

Key assumptions underlying the scenario narratives are set out below.

Assumption category	Applies to	Detail
Jurisdictional climate policy settings	SSP1-1.9	Legislated Safeguard Mechanism baseline decline of 4.9% per annum; AEMO's 2024 Integrated System Plan coal-retirement schedule
National and regional physical variables	SSP5-8.5	CSIRO and Bureau of Meteorology regional climate projections for the Pilbara, Goldfields, Cooper Basin and Queensland regions in which Tasmea operates
Macroeconomic and sector trends	Both scenarios	Continued mining, energy and infrastructure investment activity, consistent with no major disruption to Tasmea's core client base
Energy usage and mix	SSP1-1.9	AEMO's 2024 Integrated System Plan trajectory - approximately 90% coal asset retirement by 2035, with structural electrification of transport, mining and industrial energy use
Energy usage and mix	SSP5-8.5	Continued fossil fuel dependence in the energy mix, with limited uptake of renewables or electrification across client industries
Developments in technology	SSP1-1.9	Accelerated adoption of electrification and battery storage technologies (e.g. BESS, EV fleet commissioning), consistent with AEMO ISP timelines
Developments in technology	SSP5-8.5	Slower, delayed technology adoption, with continued reliance on combustion-based plant and equipment

These assumptions and the full scenario narratives, sensitivity ratings and segment-level implications are set out in the table above.

3.5 Climate resilience assessment

Tasmea is resilient under both SSP1-1.9 and SSP5-8.5. Neither scenario triggers strategic pivot exposure across the Group. The Group's asset-light, owner operator model provides inherent resilience to physical climate risk, as geographic rebalancing of work activity can be achieved without stranded fixed-asset exposure.

Significant areas of uncertainty in this resilience assessment include: the pace and scale of future Safeguard Mechanism tightening; the frequency and severity of extreme weather events under SSP5-8.5, which are inherently difficult to project at a site level; and the extent to which client capital expenditure cycles (a key external dependency) evolve in line with the scenario assumptions used. These uncertainties are managed through the Group's annual CRRO Register refresh and scenario analysis review cycle (Section 4.3). Quantitative sensitivity ranges have not been provided for these uncertainties, as the underlying variables - the pace of future regulatory tightening, the frequency and severity of extreme weather events, and the trajectory of client capital expenditure - involve a level of measurement uncertainty that would make quantitative ranges unreliable and not currently decision-useful (see Section 1.3).

Under SSP1-1.9 (transition scenario), the primary risk is client decarbonisation and commodity transition pressure on the Mechanical and Civil segments and long term structural decline in combustion plant maintenance demand. These are materially offset by the electrification opportunity already being realised by the Electrical segment, which grew revenue by 38.0% in FY26.

The Group's financial position provides financial flexibility to respond to the risks and opportunities identified in this assessment. A formal quantified assessment of financial resource availability under stress scenarios has not been performed for FY26: the pace, timing and severity of the underlying climate stress drivers involve a level of measurement uncertainty that would make a quantified stress-test output unreliable and not currently decision-useful. This is a committed FY27 action (Section 3.7). The Group's subsidiary led emissions and efficiency initiatives (Section 3.1), including fleet electrification and on-site solar installations, contribute incrementally to operational resilience under SSP5-8.5 by reducing exposure to fuel price and energy-cost volatility, although they are managed at subsidiary level as part of established business operations rather than as a dedicated Group climate resilience investment program.

Under SSP5-8.5 (physical scenario), the primary risk is increased frequency and severity of acute physical events, particularly heat stress across field deployed workforces and localised acute weather events across remote operating regions. The Group’s FY26 experience of Cooper Basin flooding impacting M&B Civil provides a subsidiary level calibration point for the Civil segment’s physical risk management response; the event had limited Group level financial impact given M&B Civil’s scale relative to the broader Civil and Group portfolio. The asset light model enables geographic rebalancing without material stranded-asset exposure.

No impairment indicators have been identified across any goodwill CGU under either scenario as at 30 June 2026. The FY26 goodwill carrying values are each supported by VIU models with positive headroom.

3.6 Financial position, financial performance and cash flows

Consistent with Judgement J2F-1 (Section 1.3), financial effects are disclosed on a qualitative basis in FY26. Where the Group is unable to provide quantitative information about the anticipated financial effects of a climate-related risk or opportunity because the level of measurement uncertainty is so high that the resulting information would not be useful, or because the financial effects cannot be separately identified from the effects of other factors, the Group provides an explanation of those circumstances together with qualitative information about the anticipated financial effects, and identifies the line items, totals and subtotals within the related financial statements that are likely to be affected. The Group has also considered whether quantitative information about the combined financial effects of its climate-related risks and opportunities, together with other factors, would provide useful information to users of general purpose financial reports; such combined quantitative information has not been disclosed, as it would not currently provide useful information.

This report forms part of the Group's FY26 Annual Report.

The extent to which climate-specific financial effects can be reliably separated from other business drivers - such as commodity cycle movements, acquisition integration costs and general inflationary pressures - has been considered in the context of each individual climate-related risk and opportunity, as set out in the table below.

Overview of Current and Anticipated Financial Effects

The effects that the Group's climate-related risks and opportunities have on its financial position, financial performance and cash flows for the current reporting period, and the anticipated financial effects over the short, medium and long term, are detailed in the table below.

The financial effects of the rising temperatures - long-term labour productivity risk (Physical - Chronic) and the bushfire, flood and cyclone events risk (Physical - Acute) have been assessed as not material to the Group's current or anticipated financial position, financial performance or cash flows for FY26, and are accordingly not separately presented in the table. These conclusions reflect management's assessment, having considered both qualitative and quantitative factors, that no current or reasonably foreseeable financial effect exists that is significant enough to influence users' assessment of the Group's prospects, cash flows, access to finance or cost of capital. For the long-term labour productivity risk, this reflects the gradual, structural nature of the productivity impact, which is expected to emerge incrementally over the long term rather than produce a discernible or quantifiable effect within the current reporting period. For the bushfire, flood and cyclone events risk, this reflects that no such event caused material disruption to the Group's broader operations during FY26, distinct from the Cooper Basin flooding recurrence risk affecting the Civil segment specifically, which is addressed below. Both risks remain subject to ongoing monitoring and reassessment as part of the Group's annual CRRO Register refresh (Section 2.3).

Based on the segment exposure mapping in Section 3.3, segments exposed to at least one identified climate-related risk or opportunity (Electrical, Mechanical, Civil, Water & Fluid and Workforce Solutions) together accounted for approximately 99.6% of Group revenue in FY26 (all reportable segments other than unallocated corporate entities and intersegment eliminations). Given the Group's asset-light operating model, in which operating assets are predominantly held and deployed at the subsidiary level within these segments, this is considered a reasonable basis for approximating the proportion of the Group's asset base vulnerable to physical and transition risk. The amount of capital allocation committed to climate risk and opportunity response in the current reporting period has not been quantified for FY26: the Group's capital expenditure is not currently coded or tracked by climate-relevance at the transaction level (see Section 3.1), and retrospectively attributing FY26 capital expenditure to climate-related purposes would involve a level of measurement uncertainty that would not produce reliable or decision-useful information.

Risk / Opportunity	FY26 Effects	Risk of Material Adjustment	Anticipated Financial Effects - Short, Medium and Long Term	Response / Mitigation Measures
Client decarbonisation and commodity transition risk Key FS lines: Revenue; Expenses; Goodwill	No material revenue loss identified in FY26. Tasmea does not itself operate or control any facility that is liable under the Safeguard Mechanism; exposure to the SGM arises indirectly, through commercial and contractual pressure from SGM-liable mining clients. Expenditure may include an element of climate-related cost loading passed through from these clients; this cannot be reliably separated from other commercial cost drivers, as contract pricing reflects a range of commercial factors beyond climate-related cost pass-through, such as input cost inflation and negotiated margin. Combined quantitative disclosure with other CRROs would not provide useful information, given the measurement uncertainty involved.	Management assesses no significant risk of material adjustment to goodwill, trade receivable or other asset/liability carrying values as at 30 June 2026. A sustained mining revenue decline exceeding 10% over three or more years would be a goodwill impairment indicator; none identified to date.	Short term (FY27): Compliance costs above the FY25 baseline. No material revenue impact if mining activity remains stable. Medium term (FY28–FY30): If Safeguard baselines tighten beyond client capacity, services demand may contract. Goodwill is sensitive to sustained revenue reduction. Long term (FY31+): Commodity diversification is expected to support contract volumes, through structural decline in fossil fuel mining demand or physical disruption to mining activity could reduce volumes. Subject to significant measurement uncertainty (Section 1.3); reassessed annually.	The Group manages this exposure through its emissions data collection and disclosure process (Section 2.3), which supports credible reporting to clients, and through diversification of its client and commodity base (Section 3.3).
Cooper Basin flooding recurrence Key FS lines: Revenue; Cost of Sales; Goodwill	FY26 flooding disruptions resulted in project delays at M&B Civil, reducing revenue recognised in the affected period. The cost impact was	Civil CGU goodwill is monitored for impairment indicators. A significant or sustained increase in	Short term (FY27): Potential revenue deferral and margin impact if flooding disruption recurs, mitigated by workforce rostering flexibility and project rescheduling. Civil CGU goodwill monitored closely.	Response measures include the ability to reschedule employees and reallocate labour during flood-related site access disruption, deferral and rescheduling of

Risk / Opportunity	FY26 Effects	Risk of Material Adjustment	Anticipated Financial Effects - Short, Medium and Long Term	Response / Mitigation Measures
	mitigated as affected employees were rostered off during the disruption period, limiting the net financial effect to the gross margin foregone on the deferred revenue. Affected projects were rescheduled for completion in later periods rather than lost. No impairment has been recognised on the Civil CGU goodwill as at 30 June 2026.	the frequency of flooding disruption, resulting in a structural reduction in Civil segment revenue or margin that cannot be offset through rescheduling or workforce flexibility, would constitute an impairment trigger. No significant risk of material adjustment is identified as at 30 June 2026.	Medium term (FY28–FY30): Continued exposure to revenue and margin timing variability if flooding disruption recurs, with impact expected to be manageable through the same rostering and rescheduling flexibility demonstrated in FY26. Long term (FY31+): Increased flooding frequency and severity in the Cooper Basin may exceed the Group's capacity to absorb disruption through rescheduling and workforce flexibility alone. The Group's asset-light model provides natural resilience; geographic rebalancing of work programmes may be required. Physical risk exposure is moderated by earlier decarbonisation-driven reductions in extreme weather frequency.	affected project work, and the Group's asset-light model, which limits exposure to plant damage or stranded-asset risk.
Extreme heat - workforce disruption Key FS lines: Cost of Sales; Insurance	Increased stop-work events and mandatory work-practice adjustments in field-deployed segments during high-heat periods. Insurance premiums may include a heat-risk loading that cannot currently be reliably separated from the Group's overall insurance premium; disaggregation work is planned for FY27 in consultation with the Group's insurance broker.	No significant risk of material adjustment to cost of sales, insurance expense or other asset or liability carrying amounts has been identified in FY26. Insurance costs are subject to renewal pricing review; any material uplift will be disclosed in FY27.	Short term (FY27): Productivity losses and compliance costs from heat management protocols increase Cost of Sales; insurance premiums may rise at renewal reflecting heat-risk loading. Medium term (FY28–FY30): Structural labour productivity reduction from rising ambient temperatures in regional areas; insurance cost impact expected to be more precisely quantified following FY27 disaggregation work. Long term (FY31+): Continued increases in extreme heat frequency in key operating regions are expected to create structural, sustained productivity headwinds for labour-intensive segments, with a corresponding likelihood of higher insurance costs or reduced insurance availability for heat-exposed activities. This is partially offset by the prospect of a more moderate	The Group manages this risk through WHS heat-management protocols, including mandatory work-practice adjustments and stop-work triggers during high-heat periods. The Group also engages with its insurance broker on heat-risk premium loading, with disaggregation targeted for FY27.

Risk / Opportunity	FY26 Effects	Risk of Material Adjustment	Anticipated Financial Effects - Short, Medium and Long Term	Response / Mitigation Measures
			physical risk trajectory should global temperatures stabilise in line with an orderly transition.	
Workforce skills transition - stranded combustion-plant trades Key FS lines: Cost of Sales; Goodwill	Retraining and capability transition costs for mechanical fitters specialised in diesel and gas-fired combustion plant are emerging in Cost of Sales. The Mechanical segment's Rollwell Engineering subsidiary has commenced some green skills transitioning as part of normal workforce development. No climate-specific retraining cost within FY26 cost of sales has been quantified separately from the FY25 baseline, as retraining expenditure is recorded within broader workforce training and development costs and cannot be reliably separated from non-climate-related training activity. Combined quantitative disclosure with other CRROs would not provide useful information, given the measurement uncertainty involved (Section 1.3).	No significant risk of material adjustment to the Mechanical CGU goodwill is identified as at 30 June 2026. Other balance sheet items, including PP&E and trade receivables attributable to the Mechanical segment, have also been considered; no significant risk of material adjustment beyond the goodwill sensitivity noted below has been identified as at 30 June 2026. The VIU model for the Mechanical CGU is based on current earnings with conservative growth assumptions. A sustained reduction in combustion-plant maintenance revenue without an offsetting transition to electrified asset maintenance would reduce VIU	Short term (FY27): Modest retraining costs above baseline. Labour cost per revenue dollar may rise marginally during transition. Medium term (FY28–FY30): Successful transition to electrified and low-carbon asset maintenance sustains goodwill headroom. Failure to transition creates downside risk to the Mechanical CGU VIU model. Investment in new capabilities may increase PPE and reduce cost of sales over time. Long term (FY31+): Combustion plant maintenance demand declines structurally. Mechanical segment long-term earnings and Mechanical CGU goodwill are most sensitive to the pace of electrification and alternative capability development. Critical minerals maintenance provides a partial structural offset.	Response measures include the green-skills retraining program already underway at some subsidiaries, and monitoring critical minerals processing maintenance demand as a partial structural offset to declining combustion-plant work.

Risk / Opportunity	FY26 Effects	Risk of Material Adjustment	Anticipated Financial Effects - Short, Medium and Long Term	Response / Mitigation Measures
		headroom over the medium term.		
Workshop emissions compliance costs Key FS lines: Administration costs; Cost of Sales; PPE	Workshop energy costs across Mechanical, Water & Fluid, and Electrical contribute to the Scope 1 and 2 inventory: fabrication gas (Other NGL) represents 52.0% of Scope 1 and natural gas space heating represents 0.6%. No incremental regulatory carbon cost has been incurred in FY26 beyond compliance administration. Workshop emissions are identified as a monitoring priority.	No significant risk of material adjustment arising directly from workshop emissions compliance is identified at FY26. Regulatory carbon pricing in Australia does not presently apply directly to Tasmea's workshop emissions at the current scale of operations. Future changes to the Safeguard Mechanism or introduction of broader carbon pricing mechanisms could change this assessment.	Short term (FY27): Workshop energy costs subject to any regulatory-driven electricity tariff increases. Medium term (FY28–FY30): Capex on energy efficiency and renewable electricity supply across workshop facilities will increase PPE. Cost savings from reduced energy consumption partially offset compliance capex. Long term (FY31+): Sustained increases in regulatory carbon costs embedded in energy pricing could become material to workshop operating costs. Renewable integration protects workshop margins and supports goodwill values against this risk; energy cost escalation without corresponding policy-driven efficiency incentives remains a risk to monitor.	The Group's planned response includes targeted energy-efficiency and renewable-electricity investment across workshop facilities over the medium term.
Electrification & renewables and government civil adaptation Key FS lines: Revenue; Goodwill; Trade Receivables	Electrical segment revenue grew 38.3% in FY26. Electrical EBIT grew from $32.4m (FY25) to $50.6m (FY26). Recent acquisitions directly reflect Tasmea's strategic positioning for electrification demand. Civil segment government adaptation revenue is a confirmed current revenue stream.	No material adjustment risk identified from the opportunities. The Electrical CGU VIU model may be conservative relative to the electrification growth scenario; electrification upside may enhance headroom further.	Short term (FY27): Continued revenue and EBIT growth for the Electrical segment. Investment in capability increases Cost of Sales and targeted capex additions to PPE. Medium term (FY28–FY30): Electrical CGU goodwill is well supported under both scenarios. The electrification opportunity expands significantly; Electrical segment is the primary Group beneficiary. Civil government adaptation revenue expected to grow with state and federal climate infrastructure programs. Long term (FY31+): The electrification opportunity is the	The Group is capturing this opportunity through targeted acquisitions to build electrification capability, and continued capital investment in capability and workforce skills across all segments.

Risk / Opportunity	FY26 Effects	Risk of Material Adjustment	Anticipated Financial Effects - Short, Medium and Long Term	Response / Mitigation Measures
		Continuation of government infrastructure spend is dependent on policy and budget settings; no material adjustment risk identified at FY26.	dominant strategic driver for the Group's long-term earnings profile. Electrical CGU goodwill carrying values are well-supported. Physical climate adaptation creates additional demand for the Group's civil and engineering services across all segments.	

Notes to the Financial Effects Table

Note 1 - Qualitative disclosure basis: Financial effects are disclosed on a qualitative basis for FY26. For each disclosed risk and opportunity, the Group has considered whether the financial effects can be reliably separated from other business drivers and whether the level of measurement uncertainty involved would make quantitative information decision-useful (see Section 1.3).

Note 2 - Goodwill CGU impairment: All CGUs are supported by positive headroom in VIU models as at 30 June 2026. VIU models use a post-tax discount rate of 9.3% (heritage segments) and 9.5% (workforce solutions), real growth of 2.5% and terminal growth of 2.0%. Climate scenario sensitivities have not yet been explicitly incorporated into these models; this is a committed FY27 action.

Note 3 - Cooper Basin flood: The flooding event in the Cooper Basin was disclosed in the HY26 half-year results. The event is treated as the primary real-world test case for risk management. PPE and Civil CGU goodwill have been assessed for impairment indicators and none have been identified at 30 June 2026.

Note 4 - Measurement uncertainty: There is a high degree of measurement uncertainty associated with the anticipated financial effects of climate-related risks. The primary sources of uncertainty include: (i) the frequency and severity of acute physical events such as flooding and extreme heat; (ii) the pace of Safeguard Mechanism regulatory tightening and client response; and (iii) the rate of adoption of electrification technologies. Quantitative ranges for anticipated effects will be developed for FY27 disclosure in conjunction with the goodwill VIU climate sensitivity analysis.

Note 5 - No comparatives: The Group has not disclosed comparative information, in line with its election to apply the Year 1 transition relief described in Section 1.4.

4. Risk management

4.1 Risk identification Process

Climate-related risks and opportunities are identified through a structured annual process drawing on the following inputs:

- The Group's risk categorisation framework: transition risks (policy and legal, technology, market, reputational) and physical risks (acute and chronic), and climate-related opportunities;
- CSIRO and Bureau of Meteorology (BoM) physical hazard data, supplemented by NCRA (National Climate Risk Assessment) 2023 findings, applying vulnerability and risk assessment principles broadly consistent with ISO 14091:2021 (Adaptation to climate change - Guidelines on vulnerability, impacts and risk assessment), although the Group has not undertaken formal certification or gap-assessment against that standard;
- Executive Director input on operational and contract-level risk observations.

Risk identification is conducted at the five-segment level, which management considers the appropriate level of granularity given the Group's diversified, multi-subsidiary operating model; subsidiary and contract-level risk observations are incorporated into this assessment through Executive Director input. Consistent with the pre-mitigation rating basis described in Section 4.2, risks and opportunities are identified and described on an inherent basis, prior to consideration of existing management responses or controls. The Group's scenario analysis (Section 3.4) directly informs this risk and opportunity identification process: scenario narratives are used to test and refine the CRRO Register's forward-looking risk and opportunity descriptions and ratings, and scenario outputs are cross-referenced against the Register during the annual refresh cycle described below.

Tasmea maintains a register of climate-related risks and opportunities (the CRRO Register). CRROs are assessed having regard to the nature, likelihood and magnitude of their potential effects on Tasmea's prospects. Tasmea considers the consequence rating under the ERM 5×5 matrix (Section 4.2), combined with a qualitative assessment of relevance to the Group's business model, segments and value chain (Section 3.1) and consideration of potential financial effects (Section 3.6). Through this risk assessment process, seven risks and four opportunities were assessed as reasonably expected to affect Tasmea's prospects and are disclosed in Section 3.3, based on the highest consequence ratings, the broadest segment exposure, and the clearest linkage to identified financial effects.

4.2 Risk and opportunity assessment methodology

Identified risks and opportunities are assessed using Tasmea's enterprise risk management (ERM) 5×5 matrix, applying the same likelihood and consequence scales used for all enterprise risks. The matrix produces four risk and opportunity rating zones: Critical, High, Medium and Low. Consequence dimensions include financial impact, WHS, reputational and regulatory. Pre-mitigation ratings (worst-case across both scenarios) are applied to produce conservative, disclosure-appropriate risk and opportunity positions.

For FY26, climate risk and opportunities assessment is qualitative only, using all reasonable and supportable information available at reporting date without undue cost or effort. Risks and opportunities are assessed across three time horizons (Short, Medium and Long). The worst-case position across both scenarios and all applicable time horizons is used as the primary basis for assessing each CRRO's likely effect on Tasmea's prospects, consistent with the approach set out in Section 4.1.

4.3 Risk and opportunity monitoring and review

Climate risks and opportunities are monitored through the following mechanisms:

- Twice yearly executive strategy meetings: climate risks and opportunities are a standing agenda item, with subsidiary management providing updates on material developments;
- Annual CRRO Register refresh: forming part of the Register's governance process (see Section 2.3);
- Trigger based escalation: material climate events (physical), significant regulatory changes (transition) or M&A transactions with climate risk profiles trigger immediate escalation to the ARC and Board; and
- Data collection: monthly emissions data is captured and reviewed by Group Finance, providing an ongoing signal for Scope 1 and 2 emissions trajectory against internal expectations.

4.4 Integration with Enterprise Risk Register

As at the date of this report, the Tasmea Risk Register contains 18 risks, none of which are currently categorised as climate-specific risks. Climate risks will be integrated into the Tasmea Risk Register by Q1 FY27, via a supplementary climate risk addendum endorsed by the ARC.

Notwithstanding the formal ERM integration gap, climate risks are actively managed through the CRRO Register, which uses the same risk rating methodology and consequence framework as the Tasmea Risk Register.

5. Metrics and targets

5.1 Emissions methodology

The measurement approach, inputs and assumptions used to measure greenhouse gas (GHG) emissions are detailed below.

Tasmea measures its greenhouse gas (GHG) emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) (WBCSD/WRI), adopting the operational control consolidation approach.

Emission factors applied across all 28 subsidiaries are sourced from the National Greenhouse Accounts (NGA) Factors for the relevant reporting period.

Methodology Element	Tasmea Application
Consolidation approach	Operational control. Includes 28 operating subsidiaries. WorkPac included pro-rata from acquisition date (1 December 2025).
Gases covered	7 Kyoto Protocol greenhouse gases: CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3
Global Warming Potentials	NGA factors express emissions in CO2-e using IPCC Fifth Assessment Report (AR5) Global Warming Potential values. As these factors already convert constituent gases into CO2-e, Tasmea applies them as published and has not separately recalculated emissions using IPCC Sixth Assessment Report (AR6) GWP values.
Emission factors	DCCEEW National Greenhouse Accounts Factors (NGAF) 2025 edition, loaded in Data Collection system
Reporting period	FY26: 1 July 2025 to 30 June 2026
Methodology anchor	GHG Protocol Corporate Accounting and Reporting Standard (2004), with emission factors sourced from the National Greenhouse Accounts (NGA) Factors.
Data system	Centralised Data Collection.

Management determined that the operational control approach best reflects Tasmea's ability to direct operating policies across its subsidiaries, consistent with the GHG Protocol's definition of operational control, and aligns with the Group's Centralised Data Collection Model configuration, which mirrors the General Ledger consolidation structure used for financial reporting.

The greenhouse gas emissions are categorised as follows:
- Scope 1: Direct greenhouse gas emissions that occur from sources that are owned or controlled by an entity
- Scope 2: Indirect greenhouse gas emissions that occur from the generation of purchased electricity, heat or steam consumed by an entity
- Scope 3: Indirect emissions outside of Scope 2 emissions that occur in the value chain of an entity, including both upstream and downstream emissions

5.2 Scope 1 Emissions (Absolute Gross)

The table below discloses absolute gross Scope 1 emissions by source category for FY26, based on Centralised Data Collection Model actuals (1 July 2025 to 30 June 2026). The measurement approach, inputs, assumptions and reason for this approach are set out in Section 5.1. Disclosure is for the same consolidated accounting group as the Group's Consolidated Financial Statements. There are no other investees (including equity-accounted associates or joint ventures) within the emissions boundary.

Scope 1 Source Category	Type of Activity Data	tCO_2e	% of Scope 1	Notes
Other Natural Gas Liquid — process/fabrication gas	Supplier delivery records and meter readings	6,712.0	52.0%	Processed gas used at workshop and fabrication facility locations.
Natural gas (space heating / process)	Supplier invoices and gas meter readings	72.0	0.6%	Space heating and process gas used at workshop locations.
Heavy plant diesel (non-light vehicle)	Fuel card transaction data and bulk fuel delivery invoices	3,355.2	26.0%	Fixed and mobile plant and equipment used across multiple locations.
Light vehicle fleet (diesel + petrol light vehicle)	Fuel card transaction data and invoices	2,557.3	19.8%	Light commercial vehicle fleet used across all segments.
Other combustion (LPG, fuel oil)	Supplier delivery invoices	213.0	1.6%	Minor LPG (stationary) and fuel oil combustion used across multiple locations.
Total Scope 1 (absolute gross)	All activity data directly measured for FY26; no estimation was required to fill activity data gaps.	**12,909.5**	**100.0%**	**Uncertainty by source ±3–10% (Section 1.3).**

Data source: Centralised Data Collection Model. Emission factors: NGAF 2025 (DCCEEW). GWPs: IPCC AR5 (see Section 5.1 for the basis for this). Uncertainty: ±3–10% by source on confirmed full-year actuals (see Section 1.3).

5.3 Scope 2 Emissions (Absolute Gross)

Scope 2 emissions are disclosed under both the location-based and market-based methods. The location-based method is the primary disclosure.

Scope 2 Disclosure	FY26 tCO2-e	Notes
Location-based (primary)	1,010.0	NGAF 2025 state-based electricity factors. WA grid ~46% of Scope 2 (WA factor 0.50 kg CO_2-e/kWh). SA lowest (0.22, high renewable penetration). Covers all offices, workshops and sites.
Market-based (supplementary)	1,010.0	NIL: No Power Purchase Agreements (PPAs) or GreenPower certificates held by any Tasmea subsidiary in FY26. Market-based Scope 2 therefore equals location-based.

Western Australia contributes approximately 46% of Scope 2 (WA grid factor: 0.50 kg CO_2-e/kWh). South Australia has the lowest factor (0.22 kg CO_2-e/kWh, reflecting high renewable penetration). Covers all Tasmea offices, workshops and sites nationally.

5.4 Climate-related targets

Tasmea does not currently have any formally adopted Group-level climate-related targets.

Tasman Power, a wholly owned subsidiary, holds Climate Active Carbon Neutral certification, achieved through carbon offset purchasing. This is a certification status rather than a forward-looking emissions reduction target.

The Board will consider whether to adopt Group-level climate-related targets, including greenhouse gas emissions reduction targets, for disclosure in the FY27 sustainability report.

Directors' declaration

In the opinion of the directors of Tasmea Limited (the Company), I state that the Company has taken reasonable steps to ensure that the substantive provisions of the Sustainability Report of the Company and its subsidiaries (collectively the Group) for the year ended 30 June 2026, as presented on pages 120 to 140, are in accordance with the Corporations Act 2001, including:

(a) Complying with Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures and any further requirements determined under section 296C(2) of the Corporations Act 2001; and

(b) Containing the climate statement disclosures required by section 296D of the Corporations Act 2001.

Made in accordance with a resolution of the directors of Tasmea Limited pursuant to section 296A(6) of the Corporations Act 2001, as modified by section 1707C(2) of the Corporations Act 2001.

On behalf of the Board

Stephen Young
Managing Director

27 August 2026

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Independent auditor's review report to the members of Tasmea Limited

Conclusion

We have conducted a review of the following information in the Sustainability Report of Tasmea Limited (the Company) and its subsidiaries (collectively the Group) for the year ended 30 June 2026 (the 'selective sustainability information') as required by Australian Standard on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* issued by the Auditing and Assurance Standards Board (AUASB):

Selective sustainability information	Criteria: Reporting requirement of AASB S2 Climate-related Disclosures (AASB S2) (including related general disclosures required by Appendix D)	Location in Sustainability Report
Governance	Paragraph 6	Pages 121 to 122
Strategy (risk and opportunities)	Subparagraphs 9(a), 10(a) and 10(b)	Pages 123 to 135
Scope 1 and 2 emissions	Subparagraphs 29(a)(i)(1) to (2) and 29(a)(ii) to (v)	Pages 138 to 140

The requirements of AASB S2 identified in the table above form the criteria relevant to the selective sustainability information and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the Act).

We have not become aware of any matter in the course of our review that makes us believe that the selective sustainability information specified in the table above does not comply with Division 1 of Part 2M.3 of the *Corporations Act 2001*.

Basis for conclusion

Our review has been conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements* (ASSA 5000) issued by the AUASB. Our review includes obtaining limited assurance about whether the selective sustainability information is free from material misstatement.

In applying the relevant criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the *Summary of the Work performed* section of our report.

Our responsibilities under ASSA 5000 are further described in the *Auditor's responsibilities* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the Act and the ethical requirements of *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to June 2024) (the Code) that are relevant to reviews of the selective sustainability information of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

Our firm applies Australian Standard on Quality Management ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

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

Other information

The directors of the Company are responsible for the other information. The other information comprises the Company's Annual Report, but does not include the selective sustainability information and our review report thereon.

Our conclusion on the selective sustainability information does not cover the other information and we do not express any form of assurance conclusion thereon in this review report. We have issued a separate auditor's report on the Financial Report and the Remuneration Report.

In connection with our review of the selective sustainability information, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the selective sustainability information, or our knowledge obtained when conducting the review, 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 for the selective sustainability information

The directors of the Company are responsible for:

- The preparation of the selective sustainability information in accordance with the Act; and
- Designing, implementing and maintaining such internal control necessary to enable the preparation of the selective sustainability information, in accordance with the Act that is free from material misstatement, whether due to fraud or error.

Inherent limitations

As discussed on page 122 of the Report, climate-related risk management is an emerging area, and often uses data and methodologies that are developing and uncertain. The Report contains forward looking statements, including climate-related scenarios, targets, assumptions, climate projections, forecasts, statements of future intentions and estimates and judgements that have not yet occurred and may never occur. We do not provide assurance on the achievability of this prospective information.

Greenhouse gas emissions quantification is subject to significant measurement uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. The comparability of sustainability information between entities and over time may be affected by inconsistencies in the methods to estimate or measure those emissions, due to different, but acceptable, methods applied.

Auditor's responsibilities

Our objectives are to plan and perform the review to obtain limited assurance about whether the selective sustainability information, defined in the *Conclusion* section of our report, is free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the selective sustainability information.

As part of a review in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
- Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. 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.

Summary of the work performed

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the selective sustainability information. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error.

In conducting our review, the procedures we performed included, but were not limited to:

- Considered the completeness of the Group's assessment of climate-related risks and opportunities
- Conducted interviews with key personnel to understand the process for collecting, collating and reporting the selective sustainability information during the reporting period
- Read minutes of relevant committees to understand matters discussed and decisions made with respect to climate-related disclosures
- Assessed the appropriateness of the reporting boundaries applied

- Undertook analytical review procedures to support the reasonableness of the selective sustainability information
- Evaluated the appropriateness of emission factors applied in the greenhouse gas emission processes
- Agreed the selective sustainability information disclosures made in the report with the underlying records
- Evaluated the presentation and disclosure of the selective sustainability information against the requirements of AASB S2

Ernst & Young

Dave Sanders
Partner
Adelaide
27/08/2026

The shareholder information set out below was applicable as at 30 June 2026.

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	1,407	0.21	-	-
1,001 to 5,000	1,255	1.25	-	-
5,001 to 10,000	460	1.32	-	-
10,001 to 100,000	602	6.51	-	-
100,001 and over	142	90.71	-	-
	3,866	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:

	Ordinary shares	
	Number held	% of total shares issued
Port Tack Pty Ltd	83,251,578	31.48
Vars Enterprises Pty Ltd	43,513,947	16.45
HSBC Custody Nominees (Australia) Limited	16,217,355	6.13
Maresa Pty Ltd	15,432,937	5.84
Citicorp Nominees Pty Limited	12,157,315	4.60
BNP Paribas Nominees Pty Ltd	8,271,400	3.13
J P Morgan Nominees Australia Pty Limited	4,037,720	1.53
Stephen Young	3,918,926	1.48
Warbont Nominees Pty Ltd	3,482,247	1.32
Jason Frank Pryde	3,375,171	1.28
Smart Family Trading Pty Ltd	2,591,406	0.98
Tasmea ESP Pty Ltd	2,562,366	0.97
Obenox Pty Ltd	2,147,399	0.81
Mr Mark Alan McDonnell	2,104,454	0.80
Barmera Marine Pty Ltd	2,041,306	0.77
Morgan Stanley Australia Securities (Nominee) Pty Limited	1,755,656	0.66
Mr Dino Talavanic	1,658,530	0.63
BNP Paribas Noms Pty Ltd	1,518,948	0.57
Killilan Pty Ltd	1,265,933	0.48
Pryde Super Pty Ltd	1,152,805	0.44
	212,457,399	80.35

Note - Holdings have been aggregated where the same registered holder holds through more than one holding.

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:

	Number held	Ordinary shares % of total shares issued
Stephen Young, Port Tack Pty Ltd, Maresa Pty Ltd	102,603,441	38.80
Mark Vartuli, Vars Enterprises Pty Ltd	44,742,741	16.92

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.

ACN	088 588 425
Registered office	75 Verde Drive Jandakot WA 6164
Principal place of business	Western Australia, South Australia, Queensland, Victoria, New South Wales and Northern Territory
Auditor	Ernst & Young
Bankers	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