

31 July 2024

## **FY24 Results Update and Acquisition of West Coast Lining Systems**

### **FY24 Results Update**

- Following completion of the unaudited management accounts, Tasmaea confirms it expects to at least meet its Prospectus Pro-forma NPAT guidance of A\$33.5m and Statutory NPAT guidance of A\$28.1m.
- Following the recent acquisitions of Dingo Concrete Services and West Coast Lining Systems, Tasmaea expects to deliver NPAT growth from both an organic and programmatic acquisition perspective in FY25, consistent with its strategic intent.
- Tasmaea intends to continue delivering industry-leading margin performance, underpinned by its subsidiaries specialist trade skill services focusing on maintenance, shutdown, breakdown and brownfield upgrade services of fixed plant and essential assets.

Tasmaea Limited intends to report its full year audited results on 26 August 2024.

### **Acquisition of West Coast Lining Systems - Investment Highlights**

- Tasmaea Limited to acquire West Coast Lining Systems (WCLS) business assets for A\$11.45m based on a full year maintainable EBIT of A\$3.1m and is forecast to be earnings accretive.
- This acquisition enhances Tasmaea's operations and market presence in the geomembrane lining sector, specifically targeting the mining and resources market in Western Australia.
- WCLS will allow Tasmaea to expand its specialist trade skill services offering focusing on maintenance, shutdown, breakdown and brownfield upgrade services of fixed plant and essential assets.
- The acquisition of WCLS reinforces Tasmaea's strategy of delivering industry leading margins through the provision of specialist trade skill services.

### **Summary of WCLS Acquisition**

Tasmaea Limited is pleased to announce that it has executed an Asset Sale Agreement to acquire 100% of the assets of WCLS for A\$11.45m. The purchase consideration includes an upfront payment of A\$9.45 million and two earnout payments of A\$1.00m each, contingent on achieving specified EBIT targets for FY25 and FY26.

WCLS, established in 1990 and based in Perth, Western Australia, specialises in the supply and installation of High-Density Polyethylene (HDPE) and Linear Low-Density Polyethylene (LLDPE) geomembrane liners. These liners and barrier systems are typically designed for environmental protection in solid waste management, mining, and water containment applications.

The acquisition is expected to complete on 31 July 2024.

As part of the Tasmea Group, WCLS will bolster Tasmea's capabilities in delivering critical water and fluid solutions to the mining and resources sector, which complements Tasmea's existing operations and market presence.

The acquisition is forecast to be earnings accretive, with WCLS providing maintainable EBIT on a full year's basis of A\$3.1m under Tasmea's ownership. The acquisition will be funded from a combination of cash and borrowings.

### **Delivering Value**

The acquisition of WCLS aligns with Tasmea's core strategy of focusing on providing specialist trade skills to essential asset owners in remote regions with a bias towards the mining and resources sector in Western Australia. Tasmea is confident in WCLS's potential for growth within the dynamic Western Australian mining and resources sector, supported by our proven methodology for scaling businesses post-acquisition.

Furthermore, WCLS will complement Tasmea's capacity to provide specialist trade services that seek to protect the environment. Tasmea is continuing to transition its subsidiaries towards carbon neutral status which has already been granted to Tasman Power and Tasman Rope Access.

### **Comments**

Commenting on the acquisition of WCLS, Tasmea Group Managing Director Stephen Young said, "We are excited to acquire WCLS, as it will enable the Tasmea Group to better support our customers in the mining and resources sector, especially in the Western Australian market. This acquisition also has the ability for WCLS and Fabtech (another wholly owned Tasmea subsidiary which specialises in geomembrane solutions primarily on the Eastern Coast of Australia) to collaborate and share important technical skills, operational know-how and business skills."

**-ENDS-**

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

### **For enquiries, please contact:**

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## **About Tasmea Limited**

Tasmea owns and operates 19 inter-dependent leading Australian diversified specialist trade skill services businesses focused on Essential Shutdown, Programmed Maintenance, Emergency Breakdown, and Brownfield Upgrade Services of fixed plant for a blue-chip essential asset owner customer base. Tasmea primarily provides these services to fixed plant for essential industry asset owners in six growing industry sectors: mining and resources, defence, infrastructure and facilities, power and renewable energy, telecommunications and retail, and waste and water.

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