EVIDENCE AVAILABLE ON OR BEFORE 26 AUG 2024

Tasmea: What Ohr Could See at the Time

Strong FY24 earnings and cash conversion, but an acquisition-led next phase still required proof.

B INVESTIGATE
Moderate confidence
OHR ANALYSIS · 26 AUG 2024

Economic model Specialist maintenance around essential fixed assets. Repeat work supported cash; founder ownership supported alignment. MSA and FMA work orders were not guaranteed.

REVENUE	EBIT	NPAT	OCF PRE I&T	CASH CONVERSION	NET DEBT
A$400.0m	A$46.4m	A$30.5m	A$49.8m	107%	A$33.2m
FY24 reported	FY24 reported	FY24 reported	FY24 reported	D: 49.8 / 46.4	30 Jun 2024, D

Four operating segments at the cutoff

FY24 statutory reporting | Margin = EBIT / revenue (D)

Electrical

A$129.4m	A$13.8m	10.7%
REVENUE	EBIT	MARGIN D

Remote electrical, instrumentation, compliance and maintenance services.

Mechanical

A$141.4m	A$17.5m	12.4%
REVENUE	EBIT	MARGIN D

Largest revenue and EBIT contributor, with shutdown and repair exposure.

Civil

A$53.6m	A$10.5m	19.5%
REVENUE	EBIT	MARGIN D

Highest reported margin, but from a smaller revenue base.

Water & Fluid

A$73.6m	A$6.0m	8.1%
REVENUE	EBIT	MARGIN D

Diversified lining, drainage and fluid-system maintenance capability.

Expectations at the Cutoff

CUTOFF VALUATION - D		FORWARD EVIDENCE VISIBLE AT CUTOFF
Share price	A$1.71	FY25 numerical guidance: Not provided
Market capitalisation	A$376.2m	Historical FY25 consensus: Not recoverable
Enterprise value	A$409.4m	T FEG EBIT A$15.5m, transaction assumption only
P / FY24 statutory EPS	11.3x	D FY24 pro-forma EBIT A$75.4m, not FY25 guidance
EV / FY24 statutory EBIT	8.8x	D FY24 pro-forma NPAT A$50.2m, not FY25 guidance
EV / FY24 pro-forma EBIT	7.5x	Forward Earnings Status: PARTIAL

Basis: A$1.71 close, 220.01m shares and A$33.2m net debt. Valuation figures are D, not conclusions or targets.
Forward source: FY24 Results Announcement and Annual Report, published and observed 26 Aug 2024.
No G or C numerical FY25 figure was available; analyst count, organic bridge and comparable market-share evidence unavailable.

TWO STRONGEST POSITIVE POINTS

Earnings delivery.
EBIT A$54.8m, 1.5% above target; NPAT A$36.9m, 10.3% above.

Cash conversion.
OCF A$49.8m, equal to 107% of statutory EBIT.

THREE PRINCIPAL RISKS AND FALSIFIERS

Acquisition and funding.
A$88.0m goodwill and FEG kept integration, leverage and cash discipline central.

Customer concentration.
Largest customer about 25%; slippage and cancellations had reduced revenue.

Cash and margin durability.
Working-capital build, weaker conversion, safety failure or unsupported goodwill.

Sources: Tasmea FY24 Results Announcement and Annual Report, 26 Aug 2024; governed Full Company Research; locked Lane 06 decision.

EVIDENCE AVAILABLE ON OR BEFORE 26 AUG 2024

The Research System at Work

OHR ANALYSIS · 26 AUG 2024

Repeat demand was tested against customer evidence, cash conversion and acquisition risk before the decision was locked.

Discovery-to-decision evidence chain

Evidence and caution travel together at every stage

01

Recurring maintenance demand

Essential fixed assets

Shutdowns, programmed maintenance, emergency work and sustaining-capital upgrades.

Company-described; not independently quantified at the cutoff.

02

Contract and customer evidence

35+ MSAs | 6 FMAs

Schedule-of-rates work and monthly invoicing.

No guaranteed volume. Largest customer ~25%; top ten ~51% of revenue.

03

Earnings and cash conversion

107% OCF / EBIT

FY24 revenue A$400.0m; EBIT A$46.4m; NPAT A$30.5m; OCF pre I&T A$49.8m.

Organic-versus-acquired contribution was not quantified.

04

Acquisition and balance-sheet tests

A$33.2m net debt

Earlier acquisitions described as integrating to plan. Goodwill A$88.0m.

FEG funding and integration remained unproven.

05 / LOCKED DECISION

Historical conclusion

B / INVESTIGATE

Moderate confidence

FY24 earnings and cash justified active follow-up.

Forward evidence incomplete; acquisition dependence remained.

CONFIRM

- Organic growth alongside acquired growth
- Durable margins and cash conversion
- FEG integration without balance-sheet stress
- Stable customer, labour and safety evidence

WEAKEN

- Receivables or contract assets outgrow revenue
- Weaker margins or customer work orders
- Higher leverage, goodwill or funding pressure
- Project slippage, wage or safety pressure

INVALIDATE

- Sustained cash-conversion breakdown
- Acquisition funding or integration failure
- Major customer loss or unsupported goodwill
- Material safety or delivery failure

FORWARD EVIDENCE AND PROVENANCE AT THE CUTOFF

FORWARD EARNINGS STATUS: PARTIAL

G Guidance: No numerical FY25 group figure. | **T Target:** FEG EBIT A$15.5m assumption only. | **C Consensus:** Historical consensus and analyst count unavailable. | **D Derivation:** Valuation and illustrative FY24 figures.

Historical consensus was not replaced with later estimates. Illustrative FY24 figures with recent acquisitions were not FY25 guidance and were not treated as forecasts.

Sources: Tasmea FY24 Results Announcement and Annual Financial Report, 26 Aug 2024; governed Full Company Research; locked Lane 06 decision.