

25 February 2021

## Veris completes strongly supported \$7.5 million Placement and provides guidance of unaudited PBT of \$1.1 million for H1 FY21

### Highlights:

- Firm commitments received to raise A\$7.5 million before costs
- Placement strongly supported by both existing and new institutional and sophisticated investors (\$7.1 million) along with further support from Veris Directors of \$0.4 million
- Share Purchase Plan of up to \$2.5 million to be offered to existing shareholders (SPP)
- Placement & SPP proceeds to provide platform for further growth and value realisation following significant turnaround in business performance
- Restructure in Veris Australia and continued organic growth in Aqura Technologies enabled Veris Ltd to generate unaudited results for H1 FY21<sup>1</sup>:
  - Revenue of \$50.1m (pcp \$50.5m)
  - Strong growth in EBITDA to \$6.0m (pcp \$1.6m)
  - PBT of \$1.1m (pcp loss of \$6.1m)
- Key strategic initiatives and outlook include continued technology investment and expansion of “As-a-Service” models within both Veris Australia and Aqura Technologies

Veris Limited (VRS:ASX) (“the Group” or “the Company”) is pleased to announce that it has received firm commitments to raise approximately \$7.4 million (before costs) via a share placement to new and existing institutional, sophisticated and professional investors via the placement of 107.1 million new fully paid ordinary shares (“Placement”).

The success of the Capital Raising is an endorsement of the strategy and strong growth outlook for the Group, which leverages the position of its two operating divisions, Veris Australia and Aqura Technologies, and also comes on the back of a significant turnaround in business performance with the delivery of an unaudited Profit Before Tax (“PBT”) of \$1.1 million for H1 FY21<sup>1</sup>, despite the challenges and uncertainty of the COVID-19 pandemic.

In recognition of the Group’s retail shareholders, the Group will also be providing eligible shareholders with the opportunity to participate in a Share Purchase Plan at the same price as the Placement (“SPP”).

Proceeds from the Placement and SPP will be used to provide a platform for further growth and value realisation for both Veris Australia and Aqura Technologies, including investment in the latest equipment technology and the expansion of their “As-a-Service” models, whilst also supporting general balance strengthening and costs associated with the Placement and SPP.

Within Veris Australia proceeds will be used to:

- support investment in, and expansion of, its Digital & Spatial capability, including hi-tech digital laser scanning and survey equipment;
- to meet the push towards digitalisation by industry and support the progress of the strategic expansion of Veris Australia’s Digital & Data-as-a-Service model.

<sup>1</sup> The Company notes that these are unaudited figures but confirms that the Company will be releasing its auditor reviewed accounts for the half year ending 31 December 2020 on Friday 26 February 2021 and does not expect any material adjustments to be included in the auditor reviewed accounts.

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Within Aqura Technologies, the proceeds will be used to:

- support Aqura's contracted and pipeline of project works, and
- underpin the transition of Aqura's earnings base to an "As-a-Service" model via the commercialisation of Aqura's internally developed product suite.

**Comments from Veris Limited Chairman, Karl Paganin:**

*"I would like to thank our existing and new shareholders for their strong support and participation in this Placement and we welcome our new shareholders in Veris Limited.*

*"Both the Veris Australia and Aqura Technologies businesses share a strong organic growth outlook, underpinned by national operating platforms and opportunity tailwinds, and will benefit from the continued business investment opportunities that the Placement and SPP proceeds will provide. This investment will underpin the continued execution of their respective strategies."*

**H1 FY21 Unaudited Results Update<sup>1</sup>:**

Continued improvement in business performance resulting from the restructure of Veris Australia undertaken during CY2020 coupled with continued strong organic growth in Aqura Technologies has underpinned the delivery of Veris Ltd's Profit Before Tax (unaudited) of \$1.1 million for the six months to 31 December 2020<sup>1</sup>.

Group revenue of \$50.1 million (Prior Corresponding Period ("PCP") \$50.5 million) reflected a strong result against the continued backdrop of an interrupted national economic landscape and operating environment due to the impact of COVID-19. Focus on project delivery disciplines and cost management in Veris Australia combined with strong margins delivered by Aqura resulted in growth in EBITDA to \$6.0 million (PCP \$1.6 million) in the first half. This provided the basis for the Group to report a \$1.1 million PBT (PCP loss of \$6.1 million), the first such half yearly profit reported by Veris Ltd since 31 December 2016.

**Placement Details**

The Company has received binding commitments from new and existing investors, including Directors, to raise \$7.5 million (before costs). \$7.1 million will be raised through the issue of 101,792,856 new fully paid ordinary shares at an issue price of \$0.07 per share, representing a 10.0% discount to the 5-day VWAP and 10.3% discount to the last closing price prior to the Placement being undertaken.

60,792,856 million shares will be issued pursuant to the Company's LR 7.1 capacity and 40,000,000 shares will be issued under the Company's LR7.1A capacity. 6,285,713 shares will be issued to Directors, subject to shareholder approval at an Extraordinary General Meeting to be convened in April 2021.

The Company is expected to settle the Placement on Wednesday 3 March 2021 and quotation of the Placement Shares is expected to occur on Thursday 4 March 2021.

Wentworth Securities acted as Lead Manager to the Placement.

<sup>1</sup> The Company notes that these are unaudited figures but confirms that the Company will be releasing its auditor reviewed accounts for the half year ending 31 December 2020 on Friday 26 February 2021 and does not expect any material adjustments to be included in the auditor reviewed accounts.

### **Share Purchase Plan**

In addition to the Placement, in recognition of the Company's existing retail shareholders, eligible shareholders will have the opportunity to participate in a Share Purchase Plan at the same issue price per Share of \$0.07. The Company intends to raise a maximum of \$2.5 million under the SPP.

The SPP provides the opportunity for eligible shareholders to subscribe for up to A\$30,000 worth of new Shares in the Company. Registered holders of Shares at as 5.00pm (AWST) on 24 February 2021 ("Record Date") with a registered address in Australia or New Zealand will be eligible to participate in the SPP. Full details of the SPP will be announced and dispatched to eligible shareholders on or about 5 March 2021 with the closing date for acceptances expected to be 26 March 2021. The shares issued under the SPP will be purchased free of brokerage and no prospectus will be issued.

Shares issued under the Placement and SPP will rank equally with existing Shares on issue.

### **Trading Halt**

This is the announcement referred to in the Company's request for Trading Halt on 23 February 2021.

This announcement was authorised by the Board of Veris Ltd.

– ENDS –

### **About Veris Limited**

Veris Australia is Australia's leading and largest surveying, digital & spatial and planning business. It works across the infrastructure, property, resources, defence, utilities and government sectors.

Aqura Technologies complements the accomplished existing spatial solution capabilities of the Veris Australia segment with highly specialised ICT and communications services, offering industry-leading technology solutions to the industrial communications sector for application in the resources, commercial, utilities, defence, health and education sectors.

Veris Limited is the Group's holding company that is listed on the ASX under the code VRS.

Issued by Veris Limited

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