
Veris Limited
31 December 2022
Interim Financial Report

veris

Corporate Directory

Board of Directors

Karl Paganin (Non-Executive Chairman)
Michael Shirley (Managing Director & CEO)
Brian Elton (Non-Executive Director)
David Murray (Non-Executive Director)
Tracey Gosling (Non-Executive Director)

Company Secretary

Steven Harding (CFO)

Principal and Registered Office

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Share registry

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Perth WA 6000
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Auditors

KPMG 235 St Georges Terrace
Perth WA 6000
T: +61 8 9263 7171

Solicitors

Steinepreis Paganin
Level 4, 16 Milligan Street
Perth WA 6000
T: +61 8 9321 4000

Bankers

Commonwealth Bank of Australia
95 William Street
Perth WA 6000
T: +61 8 9282 7004

Westpac Bank of Australia
130 Rokeby Road
Subiaco WA 6008
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Stock exchange

Australian Securities Exchange Limited
Company code: VRS

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Directors' Report

The directors of Veris Limited (the "Company" or "Veris") present their report together with the condensed consolidated financial statements of the group comprising Veris Limited and its controlled entities (together referred to as "the Group"), for the six months ended 31 December 2022 and the independent review report thereon.

Directors

The directors of the Company at any time during or since the end of the interim period are:

Name	Role	Period of Directorship
Karl Paganin	Independent Non-Executive Chairman Non-Executive Director	Appointed 25 November 2019 Appointed 19 October 2015
Michael Shirley	Managing Director & CEO	Appointed 1 June 2022
Brian Elton	Non-Executive Director	Appointed 21 November 2019
David Murray	Independent Non-Executive Director	Appointed 1 June 2021
Tracey Gosling	Independent Non-Executive Director	Appointed 1 April 2022

Principal activities

Veris Limited is the holding company listed on the ASX under the code VRS. Veris Australia Pty Ltd ("Veris Australia") is the wholly owned operating subsidiary of the Company.

Veris Australia's integrated national operating platform positions it as Australia's leading provider of spatial data services to both private and public sector clients. Veris Australia provides an end-to-end spatial data solution for its clients that not only includes data collection, analysis, interpretation but also data hosting and access, modelling, sharing and insights for clients with large-scale data requirements.

Veris Australia's diverse geographical spread includes offices and extensive operations in Victoria, New South Wales, Australian Capital Territory, Tasmania, Queensland, South Australia and Western Australia. Its presence, in both the major metropolitan areas and regional centres of all States and Territories, enables clients to benefit from this local presence and national reach. It operates in the following sectors throughout Australia:

- Infrastructure;
- Property;
- Mining and Resources;
- Energy and Utilities;
- Government; and
- Defence.

Directors' Report

Principal Activities (Continued)

Veris Australia's national service offering is broadly captured in our four key service areas of focus, being:

- Engineering Survey;
- Property Survey;
- Digital & Spatial; and
- Planning & Urban Design.

Veris is also a 49% equity holder in Wumara Group, an indigenous owned survey provider. This alliance, formed in 2021, is successfully delivering important outcomes for both our indigenous Australians and our clients through its role on a range of significant infrastructure projects. The alliance is also investing in future generations of surveyors through the provision of traineeships under the Indigenous Surveyor Pathway Program via a collaboration with TAFE and Yarpa.

Review of Operations

Veris' revenue for the half year ended 31 December 2022 was \$52,485,000; representing an increase of 23% from \$42,600,000 in the prior corresponding period. This increase in activity was delivered by an increased workforce with employee numbers rising in excess of 10% from 31 December 2021. Growth in revenues reflected the underlying strength of Veris' key markets and the return to normalised operating conditions following prior periods that had been impacted by Covid related restrictions.

Veris Australia's EBITDA* for the half year was \$5,398,000 (1H FY22: \$3,059,000) representing a 77% increase on the prior corresponding period. This result reflected management's continued focus on improving project margins by leveraging enhanced efficiencies in our operating platform.

The Group's strengthened balance sheet following the sale of Aqura Technologies in the second half of FY22 has resulted in a reduction of net finance costs to \$468,000 in the half year ended 31 December 2022, from the \$683,000 incurred in the prior half year. Additionally, following the completion of the Aqura Technologies divestment process, restructuring costs have also declined by \$173,000 from the prior year to \$27,000 for the half year ended 31 December 2022 (H1 FY22: \$200,000).

As a result, the Group reported a profit before tax of \$759,000, an improvement of 150% from the loss before tax of \$1,506,000 reported in the prior corresponding period.

Importantly, cash flow generated from operations of \$6,272,000 represented a 259% increase on the prior corresponding period (H1 FY22: \$1,746,000 in cashflow statement). As noted above, the operational focus on enhanced margins from project delivery and operational cost efficiency has underpinned the improved cash flow from operations.

As a result, Veris' cash balance at 31 December 2022 was \$20,194,000. This was an improvement from the \$18,204,000 reported at 30 June 2022. The Group has utilised the strong cash balance to renegotiate a range of commercial agreements across the operating platform including equipment procurement, vehicle supply and financing arrangements, insurance policies and pricing, as well as corporate financing agreements. The Group expects to continue reflecting the positive impacts of these revised arrangements through forthcoming periods.

* EBITDA is defined as earnings before interest, tax, depreciation, restructuring, and share-based payments and is an unaudited non-IFRS measure.

Directors' Report

Review of Operations (Continued)

In October 2022, Veris announced the appointment of Ms Julie Stanley as Veris Australia's Chief Operating Officer. Ms Stanley brings a wealth of experience leading teams and implementing structural and operational enhancements throughout her varied career. The appointment of Ms Stanley will further embed the focus on operational improvement across Veris' national platform.

During the half year ended 31 December, the Group activated and continued the operation of the on-market share buy-back announced in late June 2022. As at 31 December 2022 Veris had incurred cash payments of \$477,000 in acquiring approximately 6.1 million shares.

EBITDA and EBIT are non-IFRS measures that in the opinion of Veris provide useful information to assess the financial performance of the Group. A reconciliation between statutory results and underlying EBITDA from continuing operations is provided below. The non-IFRS measures are unaudited:

For the six months ended:	31 Dec 2022 \$000	31 Dec 2021 \$000
Total comprehensive profit / (loss) for the period*	759	(1,506)
Add back:		
Tax (benefit) / expense	-	-
Net finance expense	468	683
Restructuring costs	27	200
Acquisition costs	-	4
Recharged to Discontinued Operation	-	(450)
Share-based payment	180	8
EBIT profit / (loss)	1,434	(1,061)
Depreciation	3,964	4,121
Discontinued Operations (profit) / loss	-	(1)
EBITDA from Continuing Operations	5,398	3,059

* NSW JobSaver benefit of \$1,022,000 included in the prior comparative period of December 2021.

Directors' Report

Outlook

The secured forward workload at 31 December 2022 for execution over the forthcoming 12 month period was approximately \$55 million. In addition, the identified unsecured project pipeline for delivery over the next 18 – 24 month period was approximately \$190 million. The secured forward workload and project pipelines have continued to grow over the last two years and underpin the continued momentum of improved financial performance.

Veris continues to win work across its key markets with an increasing proportion of project revenues now being derived from Veris' Key National Account Program. This will continue to form a key component of Veris' strategy.

Covid Pandemic and its Impact

Even though COVID-19 remains as a possible risk for Veris, its staff and operating environment, the Group was not significantly impacted by COVID-19 during the current reporting period.

The Group continues to monitor the impact of rising interest rates on future cashflows and on discount rates used in valuing assets and liabilities.

Significant Changes in the State of Affairs

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

Lead Auditor's Independence Declaration

The lead auditor's independence declaration is set out on page 23 and forms part of the directors' report for the six months ended 31 December 2022.

Rounding Off

The Company is of a kind referred to in ASIC Instrument 2016/191 and in accordance with that Instrument, amounts in the condensed consolidated interim financial statements 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 the directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

Signed on behalf of the Directors:



Karl Paganin
Chairman

Dated at Perth this 27th day of February 2023

Condensed Consolidated Statement of Financial Position

As at 31 December 2022

	Note	31 Dec 2022 \$'000	30 Jun 2022 \$'000
Assets			
Current assets			
Cash and cash equivalents		20,194	18,204
Trade and other receivables		12,084	15,737
Contract assets		6,838	6,266
Other current assets		2,816	1,813
Total current assets		41,932	42,020
Non-current assets			
Property, plant and equipment		6,618	7,169
Right-of-use assets		18,852	19,854
Investment in associate		200	200
Deferred tax asset		3,714	3,714
Total non-current assets		29,384	30,937
Total assets		71,316	72,957
Liabilities			
Current Liabilities			
Trade and other payables		8,365	9,521
Bank borrowings	5	600	1,000
Lease liabilities	5	6,115	6,610
Employee benefits		8,889	8,609
Total current liabilities		23,969	25,740
Non-current liabilities			
Bank borrowings	5	1,216	-
Lease liabilities	5	15,020	16,534
Employee benefits		1,280	1,192
Provisions		782	904
Total non-current liabilities		18,298	18,630
Total liabilities		42,267	44,370
Net assets		29,049	28,587
Equity			
Share capital		51,193	51,670
Share based payment reserve	3	2,826	2,646
Accumulated losses		(24,970)	(25,729)
Total equity		29,049	28,587

The notes on pages 12 to 19 are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Statement of Profit or Loss and Comprehensive Income

For the half year ended 31 December 2022

	Note	Dec 2022 \$000	Dec 2021 \$000
Continuing operations			
Revenue		52,485	42,600
Expenses	2	(51,258)	(43,424)
Results from operating activities		1,227	(824)
Finance income		128	8
Finance costs		(596)	(691)
Net finance costs		(468)	(683)
Profit / (loss) before income tax		759	(1,507)
Income tax benefit / (expense)	4	-	-
Profit / (loss) from continuing operations		759	(1,507)
Discontinued operation			
Profit / (loss) from discontinued operations, net of tax	6	-	1
Profit / (loss) for the period		759	(1,506)
Total comprehensive income / (loss) for the period		759	(1,506)
Earnings (loss) per share			
Basic earnings / (loss) cents per share		0.14	(0.29)
Diluted earnings / (loss) cents per share		0.14	(0.29)
Earnings (loss) per share from continuing operations			
Basic earnings / (loss) cents per share		0.14	(0.29)
Diluted earnings / (loss) cents per share		0.14	(0.29)

The notes on pages 12 to 19 are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Statement of Changes in Equity

For the half year ended 31 December 2022

For the six months ended 31 December 2022

	Note	Share Capital \$000	Share Based Payment Reserve \$000	Accumulated losses \$000	Total Equity \$000
Balance at 1 July 2022		51,670	2,646	(25,729)	28,587
Total comprehensive profit for the period					
Profit for the period		-	-	759	759
Total comprehensive profit for the period		-	-	759	759
Transactions with owners of the Company, recognised directly in equity					
Issue of ordinary shares (net of costs)		-	-	-	-
Share buy-back		(477)	-	-	(477)
Share-based payment transactions	3	-	180	-	180
Total transactions with owners of the Company		(477)	180	-	(297)
Balance at 31 December 2022		51,193	2,826	(24,970)	29,049

For the six months ended 31 December 2021

	Note	Share Capital \$000	Share Based Payment Reserve \$000	Accumulated losses \$000	Total Equity \$000
Balance at 1 July 2021		51,652	2,639	(46,779)	7,512
Total comprehensive profit for the period					
Profit for the period		-	-	(1,506)	(1,506)
Total comprehensive profit for the period		-	-	(1,506)	(1,506)
Transactions with owners of the Company, recognised directly in equity					
Issue of ordinary shares (net of costs)		18	-	-	18
Share-based payment transactions	3	-	7	-	7
Total transactions with owners of the Company		18	7	-	25
Balance at 31 December 2021		51,670	2,646	(48,285)	6,031

The notes on pages 12 to 19 are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Statement of Cash Flows

For the half year ended 31 December 2022

For the six months ended 31 December 2022

	Dec 2022 \$000	Dec 2021 \$000
Cash flows from operating activities		
Receipts from customers	60,815	59,050
Receipts from Government grants	-	1,601
Payments to suppliers and employees	(54,075)	(58,219)
Cash generated from/ (used in) operations	6,740	2,432
Interest paid	(596)	(694)
Interest received	128	8
Net cash from / (used in) operating activities	6,272	1,746
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	125	168
Purchase of property, plant and equipment	(985)	(2,112)
Acquisition of subsidiaries	-	(180)
Net cash from / (used in) investing activities	(860)	(2,124)
Cash flows from financing activities		
Repayment of borrowings	(1,226)	-
Repayment of lease liabilities	(3,719)	(4,231)
Proceeds from borrowings	2,000	1,447
Payment of share buyback	(477)	-
Net cash (used in) financing activities	(3,422)	(2,784)
Net (decrease)/increase in cash and cash equivalents	1,990	(3,162)
Cash and cash equivalents at 1 July	18,204	4,654
Cash and cash equivalents at 31 December	20,194	1,492

The notes on pages 12 to 19 are an integral part of these condensed consolidated interim financial statements.

Basis of Preparation

Reporting Entity

Veris Limited (the “Company” or “Veris”) is a for-profit company domiciled in Australia. The condensed consolidated interim financial statements of the Company as at and for the six months ended 31 December 2022 comprises the Company and its subsidiaries (together referred to as the “Group”). The Group is a professional service business operating on a national platform delivering end to end spatial data solutions to its clients that includes data collection, analysis, interpretation as well as data hosting and access, modelling, sharing and insights for clients with large-scale data requirements in the infrastructure; property; energy, mining and resource; defence; agribusiness; tourism; leisure and government sectors throughout Australia.

The consolidated annual financial statements of the Group as at and for the year ended 30 June 2022 are available upon request from the Company’s registered office at 41 Bishop Street Jolimont WA 6014 or at www.Veris.com.au

Statement of Compliance

The condensed consolidated interim financial statements are general purpose financial statements prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001.

Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended 30 June 2022. The condensed consolidated interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated annual financial statements of the Group as at and for the year ended 30 June 2022.

These condensed consolidated interim financial statements were approved by the Board of Directors on 27th February 2023.

Judgements and Estimates

Preparing interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2022.

Judgement has been exercised in considering the impacts that the COVID-19 pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, 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 consolidated entity unfavourably as at the reporting date or subsequently as a result of the COVID-19 pandemic.

Basis of Preparation (Continued)

Significant Accounting Policies

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new, revised or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretation did not have any significant impact on the interim consolidated financial statements of the Group.

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

The accounting policies applied by the Group in the condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 30 June 2022.

Notes to the Condensed Consolidated Interim Financial Statements

1. Operations Segments

The Group has only one operating segment during this reporting period, being an integrated national professional services business delivering end to end spatial data solutions across Australia.

2. Expenses

	Dec 2022 \$000	Dec 2021 \$000
Employment expenses	38,076	33,945
Government grants *	-	(1,022)
Subcontractor costs & materials	4,439	2,030
IT expenses	1,326	1,413
Insurance expenses	716	687
Other expenses	2,737	2,250
Total employment and other expenses	47,294	39,303
Depreciation	3,964	4,121
Total depreciation	3,964	4,121
Total expenses	51,258	43,424

* Government grants relates to the NSW JobSaver payment scheme \$1,022,000 in the prior comparative period of December 2021.

Notes to the Condensed Consolidated Interim Financial Statements

3. Share-based Payments

As at 31 December 2022, the Group had the following share-based payment arrangements.

FY23 Long term incentive plan (LTIP)

The Group operates a Long-Term Incentive Plan under which performance rights are granted to a number of senior staff. The performance rights vest and convert into ordinary shares at the end of the FY23 and FY24 periods if various performance hurdles (being Total Shareholder Return and earnings per share targets) have been met. Under the 2023 LTIP 5,371,428 performance rights were granted to the Managing Director (approved by resolution at the Annual General Meeting on 19 October 2022), and 6,000,004 performance rights were granted to senior executives.

The performance hurdles and vesting conditions associated with these performance rights are detailed in the Explanatory Statement to the Notice of Annual General Meeting held on 19 October 2022 as released to the ASX on 16 September 2022.

The rights were independently valued to establish the fair value in accordance with *AASB 2: Share-based payments*. Key assumptions in the independent valuation in relation to the FY2023 LTIP were as follows:

Grant date	19 October 2022
Share price at valuation date	\$0.09
Exercise price	Nil
Performance rights life remaining at 31 December 2022	1.5 years
Volatility	60%
Annual dividend yield	Nil
Risk free rate	3.37%

Each performance right entitles the LTIP participant to one share for each right held upon vesting and automatic exercise. The performance rights carry no voting or dividend rights.

Approval for the issue of performance rights to the Managing Director was obtained under ASX Listing rule 10.14. Other information regarding performance conditions attaching to these performance rights are set out in the Company's Notice of Annual General Meeting released to the ASX on 16 September 2022.

Approval for the issue of performance rights to the senior executives was obtained under ASX Listing Rule 7.2 Exception 13(b) as detailed in the Company's Notice of Annual General Meeting released to the ASX on 16 September 2022. A portion of the FY23 and FY24 Long Term Incentive Plan expenses have been included in the Income Statement in the current period in accordance with accounting standard *AASB 2: Share-based payments*.

Veris Group Short Term Incentive Performance Plan

Veris Group also operates a Short-Term Incentive (STI) Performance Plan based on the achievement of individual and company-wide performance benchmarks each financial year. Senior executives and employees are invited to participate in the STI Plan from year-to-year. The STI comprises a mix of cash and equity-based incentive compensation.

Notes to the Condensed Consolidated Interim Financial Statements

3. Share-Based Payments (continued)

Veris Group Short Term Incentive Performance Plan (continued)

In the six month period to 31 December 2022, 1,848,649 Performance Shares were issued to senior employees with a vesting date of 30 June 2023, subject to continued employment with the Group. These Performance Shares were independently valued to establish the fair value in accordance with AASB 2: *Share-based payments*. The underlying valuation per performance share at issue was \$0.072.

Total share-based payments expense recognised in the current period was \$180,000 (December 2021: \$7,000).

4. Tax Expense (Benefit)

Tax expense is recognised based on the best estimate of the weighted average annual income tax rate expected for the full financial year applied to the pre-tax income of the interim period.

	Dec 2022 \$000	Dec 2021 \$000
Reconciliation of effective tax rate:		
(Loss) / Profit before income tax – continuing operations	759	(1,507)
Income tax at 30% (2021: 30%)	228	(452)
Add (less) tax effect of:		
Other non-allowable / assessable items	131	92
(Recognition) / non-recognition of deferred tax asset*	(359)	360
Adjustments other	-	-
Income Tax Expense / (Benefit) – continuing operations	-	-
(Loss) / Profit before income tax – discontinued operations	-	(533)
Income tax at 30% (2021: 30%)	-	(160)
Add (less) tax effect of:		
Other non-allowable / assessable items	-	8
Derecognition / non-recognition of deferred tax asset*	-	152
Adjustments for prior periods	-	(534)
Income Tax Expense / (Benefit) – discontinued operations	-	(534)

* Veris Limited tax consolidated group has significant carried forward tax losses available as at 31 December 2022. Management have performed a review based on current management forecasts and determined that it is not probable that future taxable profit over the forecast period will be sufficient to utilise all carried forward tax losses. This does not impact the future availability of such non-recognised tax losses which at 31 December 2022 were \$10,524,207. Management will continue to reassess the recoverability of deferred tax assets at future reporting dates.

Notes to the Condensed Consolidated Interim Financial Statements

5. Loans and Borrowings

	Dec 2022 \$000	Jun 2022 \$000
Current liabilities		
Loan	600	1,000
Lease liabilities	6,115	6,610
	6,715	7,610
Non-current liabilities		
Loan	1,216	-
Lease liabilities	15,020	16,534
	16,236	16,534
Total loans and borrowings	22,951	24,144

Except for the changes noted above the Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 30 June 2022.

The Australian Government has provided support to Small and Medium Enterprises (SME) that were adversely economically affected by the Covid-19 pandemic, through the SME Recovery Loan Scheme. During the reporting period, Veris Australia has drawn down loan funding of \$2m under this scheme, to fund the purchase of equipment. This business loan facility of \$3m has limited redraw, a fixed term of 5 years and principal and interest repayments on a monthly basis, based on the facility limit. Interest is based on the banks Business Development Rate less a margin of 1.89% p.a. (rate as at 31 December 2022: 5.88% p.a.).

Notes to the Condensed Consolidated Interim Financial Statements

6. Discontinued Operations

The sale of Aqura Technologies Pty Ltd was completed on 28 February 2022 for cash consideration of \$27,482,000, resulting in a pre-tax gain of \$22,770,000. The results of Aqura Technologies Pty Ltd for the prior comparative period are presented below:

	Dec 2022 \$000	Dec 2021 \$000
Results of Discontinued Operations		
Revenue	-	13,991
Expenses	-	(14,290)
Results from discontinued operating activities	-	(299)
Depreciation	-	(175)
Amortisation	-	(58)
Restructuring income / (costs)	-	2
Share-based payment	-	-
Net finance (costs) / income	-	(3)
Profit / (loss) from operating activities	-	(533)
Income tax (expense) / benefit on operating activities	-	534
Profit / (loss) from operating activities, net of tax	-	1
Income tax (expense) / benefit on sale of discontinued operation	-	-
Profit / (loss) from discontinued operations for the period, net of tax	-	1

	Dec 2022 \$000	Dec 2021 \$000
Earnings (loss) per Share		
Basic earnings cents per share	-	-
Diluted earnings cents per share	-	-

	Dec 2022 \$000	Dec 2021 \$000
Cash flows from/(used in) discontinued operations		
Net cash flows from (used in) operating activities	-	16
Net cash flows from (used in) investing activities	-	21
Net cash flows from (used in) financing activities	-	(28)

Notes to the Condensed Consolidated Interim Financial Statements

6. Discontinued Operations (continued)

	Dec 2022 \$000	Jun 2022 \$000
Assets and liabilities of discontinued operations		
Assets classified as held for sale		
Trade & other receivables	-	2,445
Contract assets	-	820
Other current assets	-	18
Property, plant & equipment	-	327
Intangibles	-	1,302
Cash and cash equivalents	-	3
Deferred tax assets	-	320
Assets held for sale	-	5,235
Liabilities classified as held for sale		
Trade & other payables	-	3,494
Loans and borrowings	-	102
Employee benefits	-	118
Liabilities held for sale	-	3,714

7. Subsequent Events

Following the announcement to the ASX on 8 June 2022, the Group continues the operation of the on-market share buy-back. Since the reporting period end, up to the date of this report, Veris had incurred additional cash payments of \$53,000 in further acquiring approximately 635,000 shares.

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the current reporting period that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Directors' Declaration

In the opinion of the directors of Veris Limited ("the Company"):

1. the condensed consolidated financial statements and notes set out on pages 8 to 19, are in accordance with the Corporations Act 2001 including:
 - (a) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the six-month period ended on that date; and
 - (b) complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:

A handwritten signature in black ink, appearing to read "Karl Paganin", is positioned below the text "Signed in accordance with a resolution of the directors:". The signature is written in a cursive, flowing style.

Karl Paganin
Chairman

Dated at Perth this 27th day of February 2023



Independent Auditor's Review Report

To the shareholders of Veris Limited

Conclusion

We have reviewed the accompanying **Interim Financial Report** of Veris Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of Veris Limited does not comply with the *Corporations Act 2001*, including:

- Giving a true and fair view of the **Group's** financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- Complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises:

- Condensed consolidated statement of financial position as at 31 December 2022;
- Condensed consolidated statement of profit or loss and comprehensive income, Condensed consolidated statement of changes in equity and Condensed consolidated statement of cash flows for the half-year ended on that date;
- Notes 1 to 7 comprising a summary of significant accounting policies and other explanatory information; and
- The Directors' Declaration.

The **Group** comprises Veris Limited (the Company) and the entities it controlled at the half year's end or from time to time during the half-year.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.



Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- The preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*; and
- Such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the Half-Year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an Interim Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

KPMG

Jane Bailey

Jane Bailey

Partner

Perth

27 February 2023



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Veris Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Veris Limited for the half-year ended 31 December 2022 there have been:

- i. No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. No contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Jane Bailey

Jane Bailey

Partner

Perth

27 February 2023

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