

Veris Limited **Annual General Meeting**

Michael Shirley, Managing Director & CEO
Steve Harding, CFO

15 October 2024

Acknowledgment

We acknowledge Aboriginal and Torres Strait Islander peoples as the traditional owners and custodians of this land and the places on which we live and work.

We respect and honour Aboriginal and Torres Strait Islander Elders past, and present. We acknowledge the stories, traditions and living cultures of Aboriginal and Torres Strait Islander peoples on this land and commit to building a brighter future together.

Through our alliance with Wumara Group we are working together to help close the gap between Indigenous and non-Indigenous Australians.



Our Services

Veris:

A fully integrated digital and spatial data advisory and consulting firm

Digital and Spatial

3D scanning, data capture, hosting storage, management, modelling, visualisation, and analysis.

Consulting and Advisory

Due diligence, statutory and strategic planning, master planning, place-making, planning approvals, project management, environmental planning and approvals, contaminated land and waste management, water management.

PROPERTY SURVEY

Land surveying, cadastral, and consulting solutions.

ENGINEERING SURVEY

Civil construction and engineering survey solutions for major infrastructure.

- A deliberate pivot into higher margin consultancy and strategic advisory services is gaining traction
- These services meet the digital transformation needs of our clients across multiple industrial sectors
- Veris is now appropriately aligned to the emerging data and digital transformation needs of industry
- This transformation across our addressable markets will continue to gain momentum over FY25.



WumaraGroup

49% interest in Indigenous owned Wumara Group

A national footprint servicing a broad-based addressable market

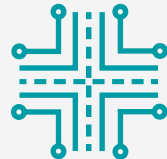
Our People



450+
People

Our Markets

Transport



Mining & Resources



Defence



Property & Buildings



Energy & Utilities



Government



National

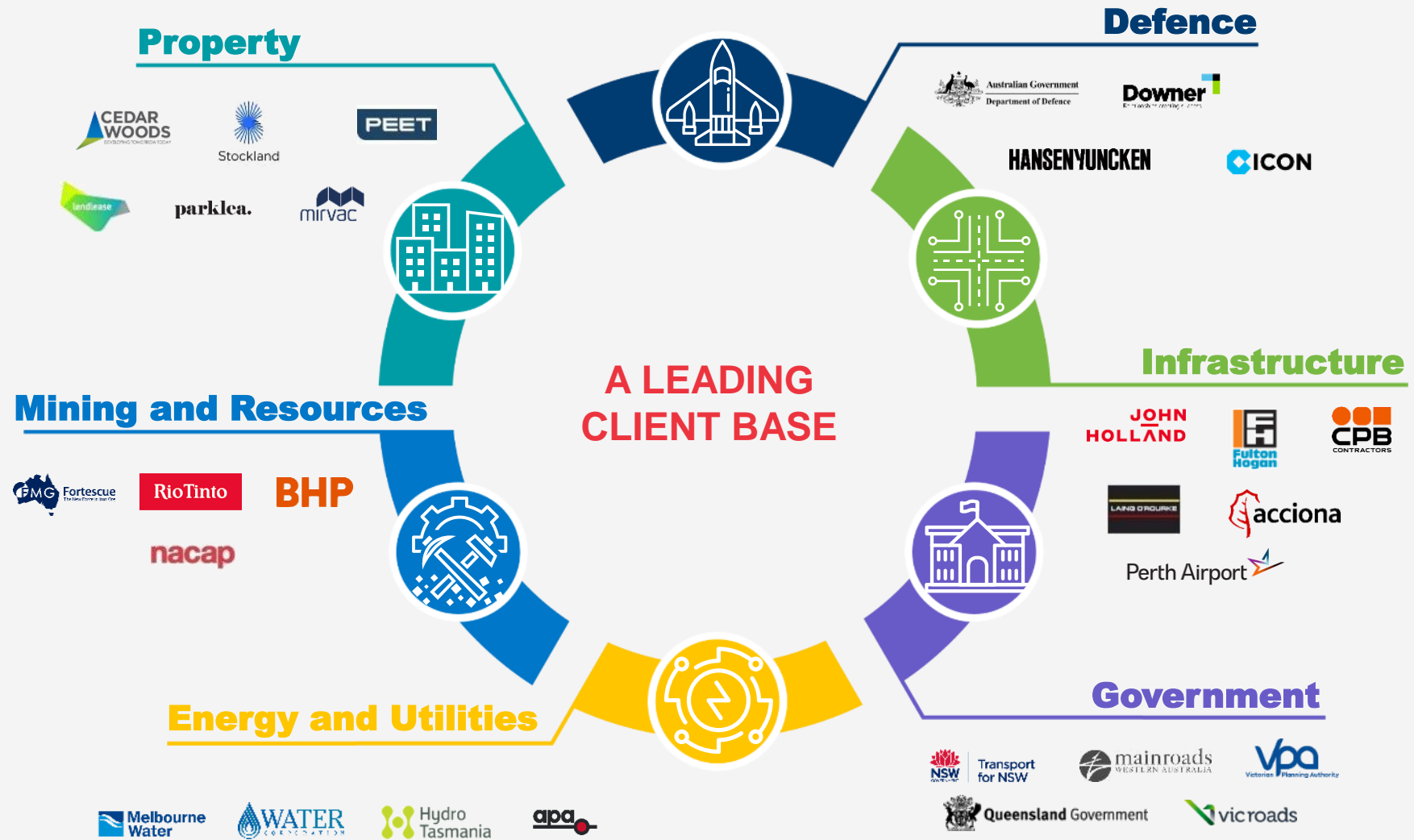


Our Values



Unlocking growth in key accounts

Building trust and mutual benefit



FY24 Highlights

Right-sized
to leverage
demand for
digital
services in
FY25

Revenue

\$92.6m

in FY24

Digital service line revenue share

17%

in FY24



Order Book

\$60m

Over the next 12
months

Higher value projects

12%

Increase in yoy in
average project \$ value

Cash at hand

16.1m

at 30 June

Labour cost base reduced

\$3.6m

of annualized cost
outs

Strategic shift continues

18%

Reduction in project
volumes

One-off costs

\$3.0m+

of one-off
restructuring costs in
FY24

Financial update

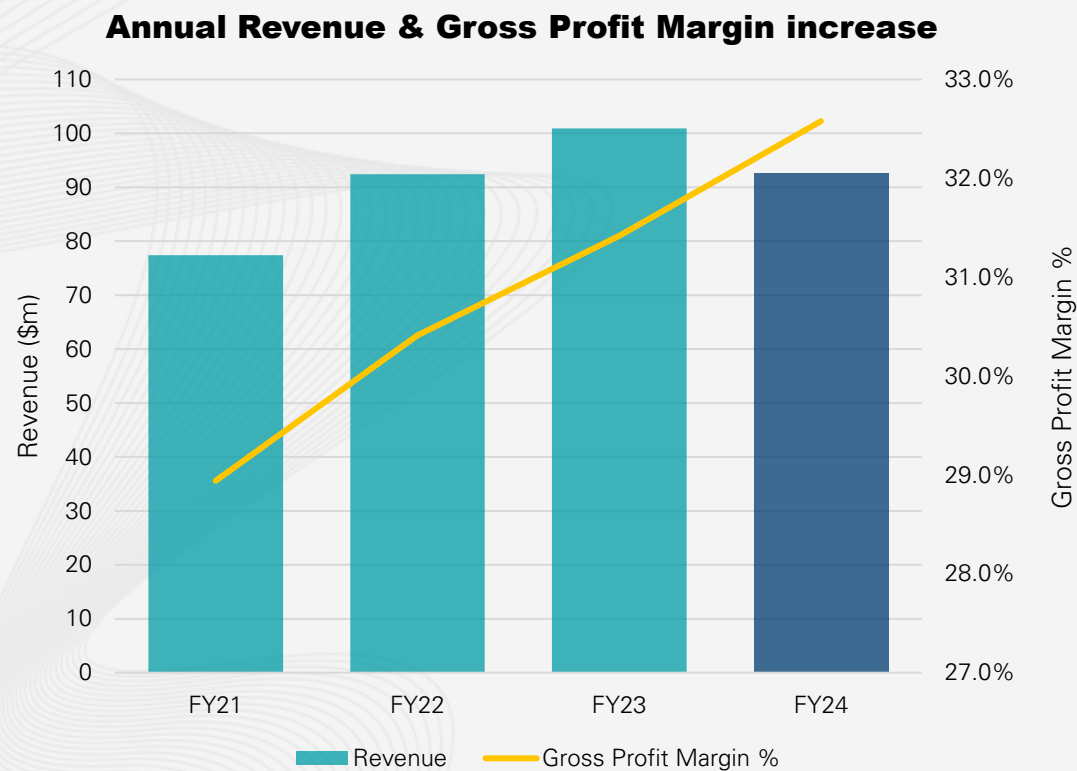
FY24 Results Summary

Veris Australia Underlying results \$M	FY24	FY23	FY22
Revenue	92.6	100.9	92.4
Gross Profit Margin %	32.6%	31.4%	30.4%
EBITDA	6.7	10.2	10.0
EBITDA Margin %	7.2%	10.1%	10.8%
Underlying PBT	(1.8)	1.0	0.1
Underlying PBT Margin %	(1.9%)	1.1%	0.1%

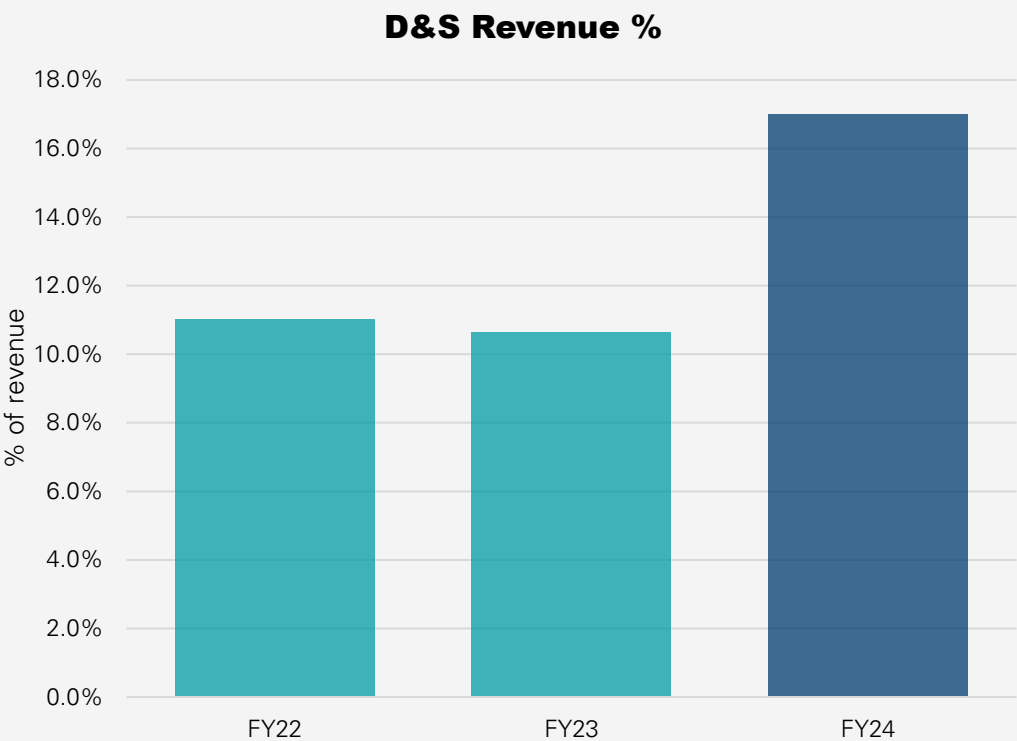
Highlights

- Reduced revenue resulting from:
 - Continued transition away from legacy small projects
 - Softness in key markets; and
 - Resourcing constraints in Queensland operations
- Continued shift away from smaller projects delivering enhanced gross profit margin %
- Continued growth in Digital & Spatial offering – now contributing 17% of FY24 revenue vs 11% in FY23
- Restructuring initiatives (cost and headcount reductions) actioned in H2 to right-size project teams and support functions to respond to market conditions and position for future opportunities with key client base
 - \$3.0m+ in one-off and restructuring costs
 - Head count reduced yoy by 22% via combination of:
 - Some project-specific staff departures following conclusion of projects
 - Desired attrition/ managed departures
 - Restructuring related redundancies.

FY24 Overview



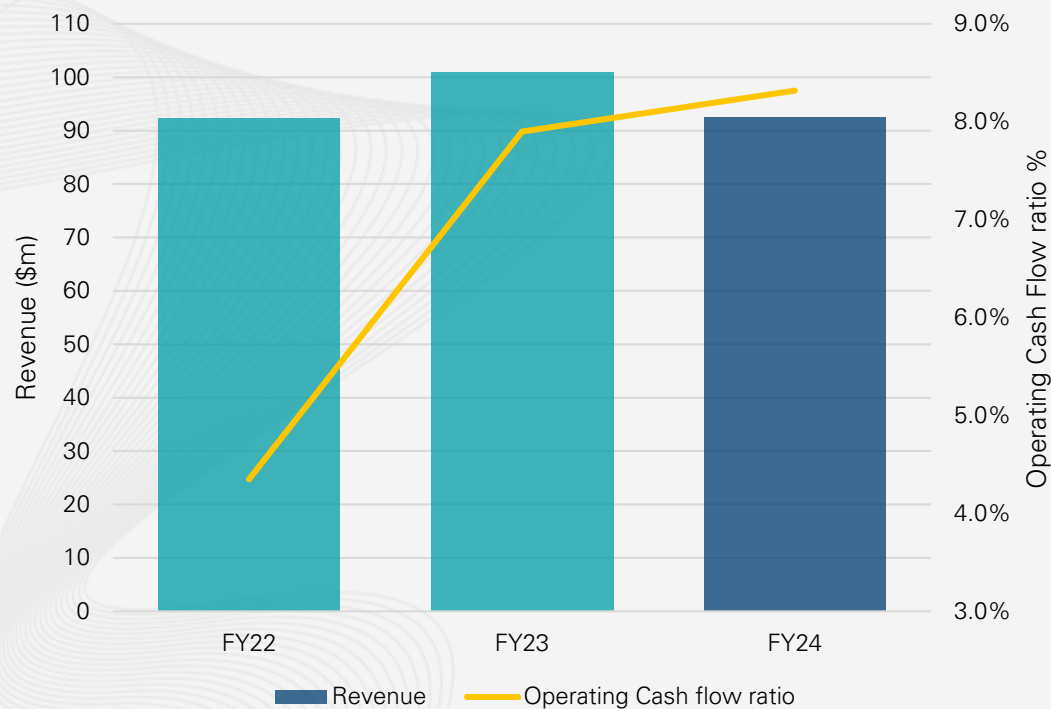
Gross profit margin expansion driven by more selective choice of projects/clients



Increasing proportion of revenue generated from D&S advisory projects – now circa 17%

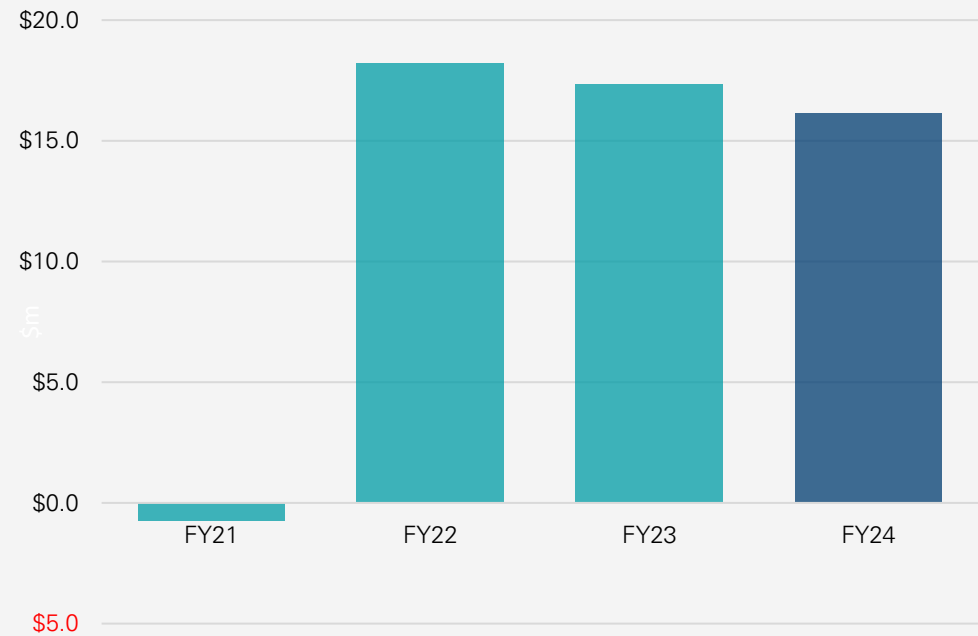
FY24 Overview

Improving Operating Cash flow ratio



Operating Cash flow ratio continuing to improve despite decline in revenue demonstrating higher quality revenue and execution of margin improvement strategy

Cash



Stable cash balance having distributed in excess of \$2.0m in capital management initiatives in last 2 years (via both buyback and dividend)

Balance Sheet

Balance Sheet	Jun24	Jun 23
Cash	16.1	17.3
Debtors & WIP	18.6	19.7
P,P&E	8.9	9.8
ROU Lease Assets	12.8	16.4
DTA, Intangibles, Other	6.0	6.3
Total Assets	62.4	69.5
Trade Creditors	9.6	7.2
Employee Benefits (C + NC)	7.8	8.7
HP Lease Liabilities (C + NC)	0.7	1.5
Borrowings	5.0	5.0
ROU Leases (Current)	4.4	4.9
ROU Leases (Non-Current)	10.7	12.7
Other Liabilities	1.2	0.8
Total Liabilities	39.4	40.7
Net Assets	23.0	28.8

Overview

- Stable balance sheet and capital position
- Strong cash balance of \$16.1m. Cash movement primarily reflects impact of:
 - \$0.7m dividend payment in November;
 - \$0.5m Continued on-market buy-back during FY24;
 - \$1.3m restructuring and one-off charges incurred during the year
- Right of Use (“ROU”) Leases predominantly represent capitalisation of office lease commitments
- Southbank (Melbourne) Office-related lease asset impairment of \$1.5m
- Debtors & WIP management remains a strong focus
- Borrowings have been utilised to replace legacy; high-cost HP Lease Liabilities used to finance Equipment purchases
- Strong cash position provides significant capacity to pursue M&A opportunities.

Strategic update

Delivering on strategic priorities

**Strong
progress
despite
challenging
conditions**



Digital strategy
gaining traction
and growing share
of revenue



Accelerated pivot to
higher margin work
with key clients



Established
consulting and
advisory services
as a key growth
offering



Acquisition of skill
sets aligned to
integrated service
offering



Implemented
restructuring and
right-sizing
initiatives



Maintained
robust balance
sheet and order
book

Advancing Veris' Digital Strategy

Veris continues its shift from core surveying to a fully integrated digital and spatial data advisory and consulting firm, setting us apart from competitors in unlocking data value for clients.



Ongoing product development

Includes AI, analytics, configurability, and data hosting.



Acquisition of diverse, new skill sets

And advanced technical expertise across key disciplines.



Expanding our value proposition

With consulting, data, and digital solutions.



Continued investment

in leading-edge data capture technology.

These steps culminated in Veris reaching several significant milestones in its Digital Strategy



Release of RoadSiDe Platform

Launched our cloud-based spatial data platform for road condition assessment, used by key clients including government and energy projects.



Successful launch Digital Solutions Consulting

Delivered high-value consultancy in spatial data, GIS, and digital engineering for utilities, transport, and government.



Key Contract Wins

Secured projects in Digital Twins, 3D modelling, and IoT monitoring.



Platform Expansion and Market Penetration

Broadened the use of other products and platforms developed by Veris across various projects with added functionality.



Revenue Growth

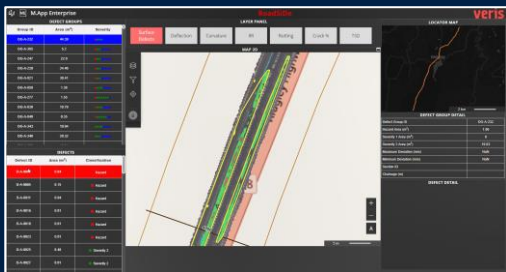
Digital & Spatial services now 17% of revenue with 20% gross margin per hour growth

Digital solutions

RoadSiDe

Revolutionising road maintenance

- Rapid, safe 3D data capture of road condition over large distances.
- Data hosting, visualisation and analysis using our bespoke cloud-based RoadSiDe platform.
- Powered by AI and spatial analytics.
- Enables virtual inspections, quantitative and predictive analysis for smarter asset management.



Digital Twins

Monitor and manage assets virtually

- Delivering connected Digital Twins using our combination of our reality capture, IoT sensors and web platforms.
- Real-time, virtual representations of physical assets, enhancing design, monitoring, optimisation, and maintenance for our clients
- Reduce risks, create efficiencies, and unlock strategic value



Digital Urbanism

Building digital intelligence into the master planning process

- Creating, analysing, and managing information for a masterplan or digital twin, based on virtual models and true data.
- Consolidates scattered project data and expert solutions into a single, cohesive spatial model, which can be integrated with the marketing and sales models.
- Ability to drive qualitative and quantitative urban responses in the built environment.



Our market differentiation is that we collect, hold and understand the data.

Digital strategy in action

Digital Twin Victoria



- Veris-led consortium one of three new partnerships announced by Digital Twin Victoria (DTV).
- The consortium joined as a major development partner, bringing significant geospatial and 3D domain expertise.
- This and other new partnerships announced expand DTV's collaborative network marking the next phase in DTV's delivery strategy.

Cardinia Shire Council Sealed Roads Program



- An innovative digital solution by Veris.
- Instrumental in the adoption of sustainable road construction practices.
- Deploying the latest 3D Ground Penetrating Radar technology in combination with mobile laser scanning, Veris reduced environmental impacts and construction costs, and enhanced community engagement.

Digital Engineering Roadmap



- Veris wins contract to provide consultancy services to support the development of a Digital Strategy and Digital Engineering Roadmap.
- Client is a Queensland company with a large geographic spread and diverse asset base.
- Veris is now working with the client on a roadmap and program of activities to uplift and embed Digital Engineering practices.

Safety at the forefront – ‘One safe step at a time’

Driving a safety culture

Safety, health and well being underpins all we do. No compromise on taking the safest way to perform our work.



Working Safely Award

Announced inaugural winner of our new Working Safely Award, Mitch Oake, Senior Surveyor – Engineering Survey in Melbourne.



‘One Safe Step at a Time’,

Launched a new safety campaign, aimed at exploring more effective ways to manage hazards and risks



Health and Safety Representatives

Increased the number of employees on the internal Health and Safety Representative team, strengthening our communication and consultation process within the business.



Strength in Safety

Safety stood out as a significant strength for us as rated by employees in our most recent Employee Engagement Survey – ‘The Way We Work’.

People, diversity and inclusion



Investing in our People – Our people are at the heart of our business

Young Professionals Program (YPP)

Fourth annual intake. 11 new participants this year, with 45% female participation – a key milestone in tackling gender underrepresentation in our field.

Promoting an Inclusive Culture

Implemented various Diversity & Inclusion initiatives like Wear It Purple Day and International Women's Day.

Employee Engagement & Feedback

Launched the second Employee Engagement Survey – 'The Way We Work', providing valuable insights into working at Veris.

Attracting & Retaining Top Talent

Continued focus on strategies designed to attract and retain top talent, ensuring Veris remains a workplace of choice.

Growing and developing our people

Strengthened our employee development program with a focus on succession planning.



Indigenous participation



Alliance with Wumara Group

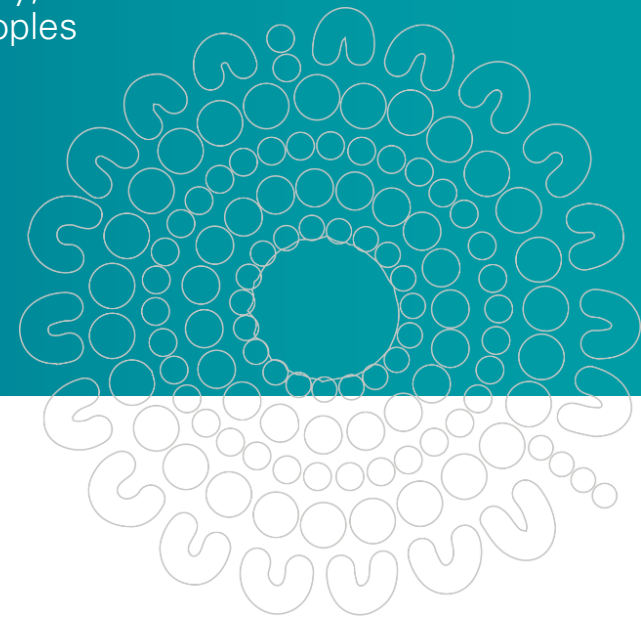
Continue to work closely with our alliance partner Wumara Group including the Indigenous Surveyor Employment Pathway Program

Achieving Indigenous Participation Targets

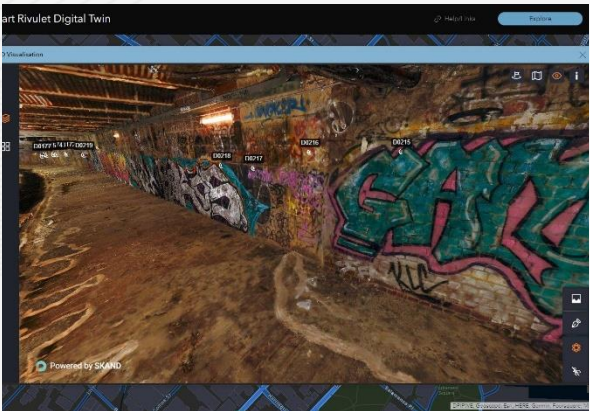
Alliance been part of the commitment to Indigenous Participation on a number of major transport infrastructure projects.

Building Cultural Awareness of Aboriginal and Torres Strait Islander Peoples

Continue to build awareness and recognition of the history, culture and achievements of Aboriginal and Torres Strait Islander peoples

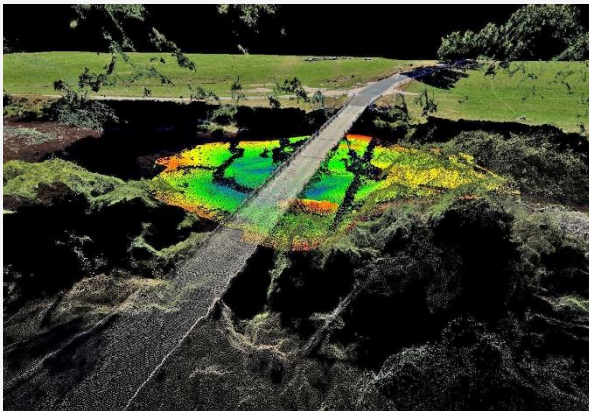


Delivery excellence – Industry Awards



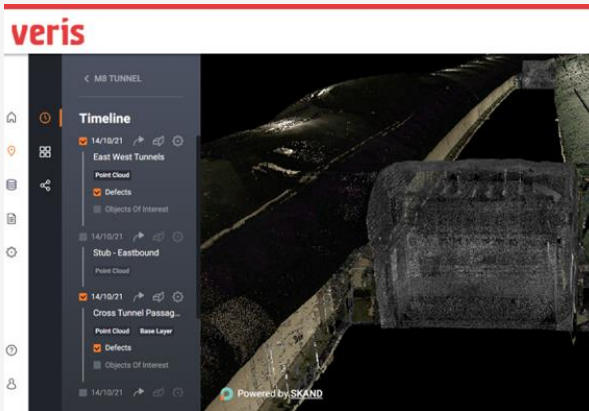
Hobart Rivulet Digital Twin

Geospatial Enablement Award –
Geospatial Excellence Awards



North-West Coast Underwater Bridge Inspections Project

Technical Excellence Award–
Geospatial Excellence Awards



M6 Stage 1 project - NSW

Technical Excellence Award -
Geospatial Excellence Awards



Cardinia Shire Council Road Upgrade Project, VIC

- Community Impact Award for the – Geospatial Excellence Awards
- Excellence in Project Innovation Award - Institute of Public Works Engineering Australasia (IPWEA) Excellence Awards, National.



Pipeline and Outlook

Strong pipeline and outlook

Despite some economic uncertainty, underpinned by a national footprint and positioning across a diverse spread of markets.

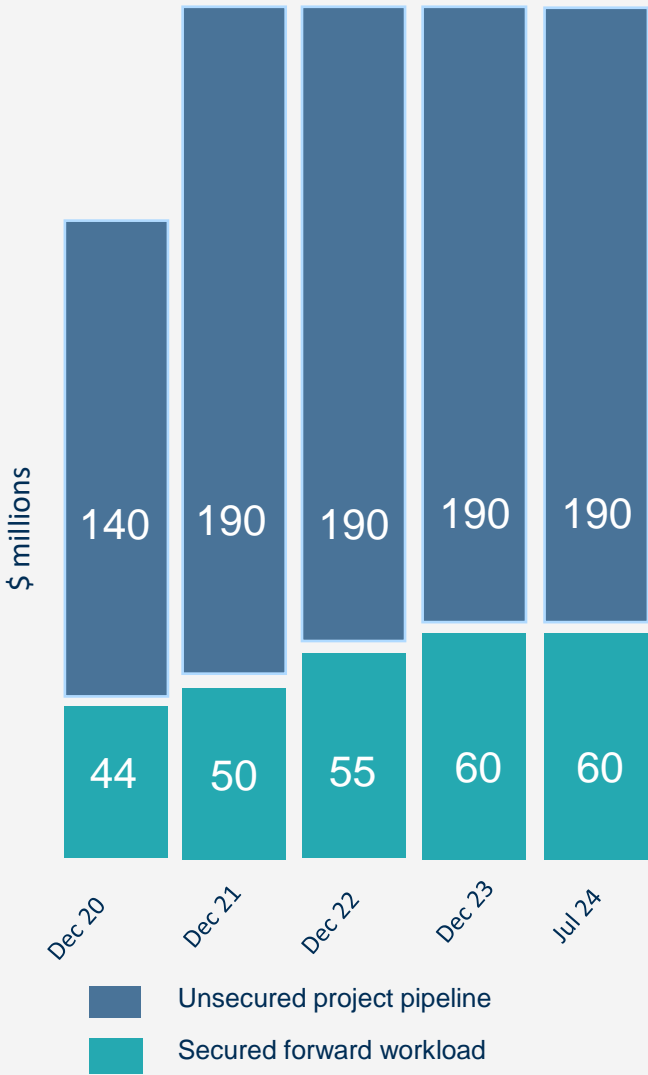
\$60m

Secured forward workload to be executed over the next 12 months in excess of \$60.

\$190m

Healthy, unsecured project pipeline has a weighted value in excess of \$190m.

- In addition to forward workload, we anticipate ongoing project variation and direct assignment works.
- Strong track record in demonstrating the conversion of our backlog and pipeline to revenue and margin in subsequent periods, providing confidence in our outlook.



FY24 Summary

Swift and decisive ...



Digital strategy initiatives gain traction, with Digital accounting for 17% of total FY24 revenues.



A quick and decisive response to challenging market conditions, implementing a number of restructuring initiatives and operational efficiencies.



A strong pipeline of committed and tendered projects – as at end-FY24, a secured forward workload valued at greater than \$60m.



Veris has a long-term stable, unsecured project pipeline, with a weighted value of \$190m over the next 24 months.



Veris leverages its spatial and advisory skillsets by meeting stated objective to target national & regional key clients for delivery of multi-disciplinary projects.



Growth in spatial consulting achieved, resulting in increased market opportunities to provide high margin services.



Retention of a robust balance sheet – despite lower reported profitability over the past year.

Q1 update

Q1 FY25 trading update

Strong
turnaround
in operating
performance

Improved financial performance underpinned by Digital strategy execution and FY24 restructuring initiatives

- Unaudited PBT of \$0.6m in Q1 FY25
- Demonstrates a strong rebound from the \$1.8m underlying loss before tax recorded in FY24
- Turnaround recorded in Q1 supported by:
 - continued growth in digital & spatial data-driven consulting and advisory services
 - cost-reductions resulting from corporate restructuring initiatives actioned in H2 FY24
- Veris’ EBIT and PBT margins showing strong recovery, albeit still remaining impacted by lower margin legacy contracts
- Veris’ continued transformation remains underpinned by a robust balance sheet

(Q1 results Unaudited)	FY22	FY23	FY24	Q1 FY24	Q1 FY25
Revenue (\$m)	92.4	100.9	92.6	24.9	24.3
EBIT Margin (% Rev)	1.4%	1.8%	(2.6%)	2.5%	2.9%
Profit Before Tax (\$m)	0.1	1.0	(1.8)	0.5	0.6
PBT Margin %	0.1	1.0	(1.9%)	2.0%	2.3%

Summary

Digital strategy yielding clear results



Digital strategy is now yielding clear results



Positioned consulting and advisory services as a strategic growth engine



The actions taken in FY24 to restructure and reposition the business are delivering the desired impact



A further uplift in financial performance is expected over the balance of FY25



Accelerating strategy towards towards a fully integrated digital and spatial data advisory firm.

Thank you

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