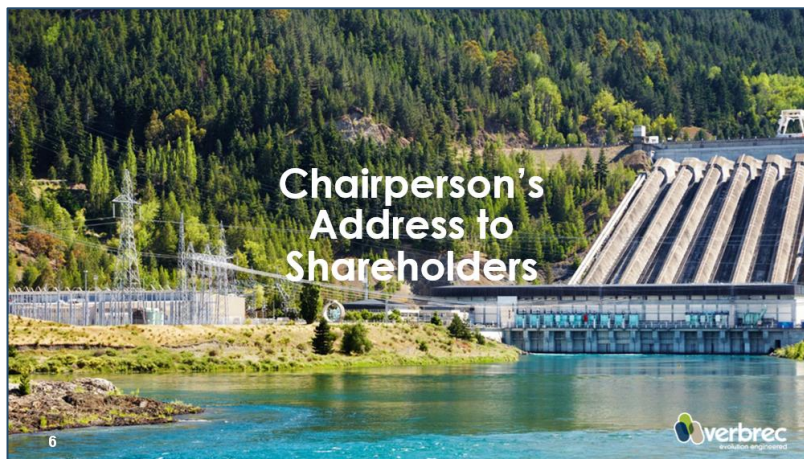


29 November 2024

## Chair's Address to Shareholders at Verbrec's 2024 Annual General Meeting

Verbrec Limited (ASX : VBC) (**Verbrec** or the **Company**) issues the following address script delivered by Verbrec's Chairperson, Phillip Campbell at the Company's 2024 Annual General Meeting.



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### Chairperson's Address to Shareholders

Fellow shareholders, on behalf of the Board, welcome to the 2024 Annual General Meeting of Verbrec Limited. To those who could not be here in person, and are joining remotely, thank you and welcome.

#### Verbrec Limited

ASX : VBC

ACN: 127 897 689

[Verbrec.com](https://www.verbrec.com)

#### Share Registry

Computershare Investor Services Pty Ltd

Ph: +61 3 9415 4000

[computershare.com](https://computershare.com)

**3**  
CORE  
MARKETS





**3**  
TRANSITION  
MARKETS





**1**  
PURPOSE

*Through strong relationships built on trust, Verbrec enables a Sustainable Future for our clients and their customers.*

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**400 Team Members**  
servicing  
**Australia**  
**New Zealand**  
**Papua New Guinea**  
**Pacific Islands**



## About Verbrec

Verbrec, is a leading professional services company, operating across Australia and New Zealand and into the Pacific.

We have three core markets. Energy, Mining and Infrastructure.

Through strong relationships built on trust, Verbrec enables a Sustainable Future for our clients and their customers.



**Safety**  
**Zero Harm,**  
**Always**

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	LTIFR	MTIFR	TRIFR
FY17	0	2.39	3.59
FY18	0	1.45	4.35
FY19	0	0	0
FY20	0	0	0
FY21	0	0	0
FY22	0	4.35	8.70
FY23	0	1.20	6.02
FY24	0	0.00	4.58



**684**  
LEADERSHIP  
CONVERSATIONS



**46**  
HAZARD  
REPORTS  
SUBMITTED



**8**  
YEARS  
SINCE LAST LOST  
TIME INJURY



## Safety

We put the safety of our people and the communities we serve at the centre of our endeavours.

In 2024 the business continued its record of zero lost time injuries for an eighth consecutive year.

The Board will continue to support the executives in their pursuit of industry leading health and safety performance and has championed the recent introduction of a comprehensive leading safety indicators program to complement the lag indicators which have served us well to date.


FY2024 Financial Commentary			
	FY2024	FY2023	Change to PCF
Revenue	\$93.4 m	\$109.9 m	(15.1) %
Gross Profit	\$33.4 m	\$26.9 m	24.2 %
Gross Margin	35.8 %	24.5 %	46.2 %
EBITDA	\$8.8 m	(\$2.9) m	400.2 %
EBITDA Margin	9.4 %	(2.7) %	453.5 %
Profit / (Loss) after tax for Continuing Operations	\$4.8 m	(\$6.4) m	174.2 %
Profit / (Loss) after tax attributable to Discontinued Operations	(\$2.8) m	(\$3.1) m	10.0 %
Total comprehensive Profit / (Loss) attributable to owners of the Company	\$2.0 m	(\$9.5) m	121.0 %

Revenue, Gross Profit, Gross Margin, EBITDA and EBITDA Margin in the above table are presented in the context of Continuing Operations only.

**Financial Highlights**

- ✓ Highest EBITDA and NPAT since FY2015.
- ✓ Highest profit margins since the merger of OSD and LogiCamms in 2019.
- ✓ Reduction in revenues a result of Verbrec being more selective in the projects and diligent pursuit of economically favourable commercial terms.
- ✓ Steep reduction in cost of sales and overheads, Verbrec is operating more efficiently.
- ✓ Improved financial performance resulted in passing of all banking covenants in the half and full year.

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## Financial Commentary

I'd like to reflect for a moment on the remarkable turn-around in the business from FY2023 to FY2024. We think of FY2024 as a recovery period where we took the time to close out some underperforming projects and dispose of business units that were holding us back. We now have a solid foundation for profitable growth.

The outcome of this dispassionate, disciplined financial approach to the business by the CEO, the CFO and the senior management team has been particularly pleasing and delivered the results the Board was seeking.

On an absolute basis, we have achieved the best EBITDA and profit margin performance since Verbrec was formed by the merger of OSD and LogiCamms in 2019.

Indeed, we have achieved the best EBITDA and profits for the progenitor business since FY2015.

This is an \$11.5 million turnaround of comprehensive profit from FY2023 to FY2024.

You will observe that our revenues have reduced slightly in the period. The disposal of certain business units contributed to that reduction as did the more diligent and focused approach to the clients and projects we have taken on. The Board is supportive of this consolidation and the improved economic prospects for the business has been a comfort to the long-term shareholders to whom I have spoken. As noted earlier, we now have a solid platform for growth.

What is very pleasing to the Board is the realignment that has been taking place in recent times in the share register. Those with a keen eye for these things will notice that a number of medium sized institutional investors have joined the share register recognising the potential Verbrec represents for solid medium-term returns.

Returning a dividend for our shareholders remains a core goal for us and will be front of mind for our Board and Management team over the coming financial year.



## Strategy

We recognise that as the market we serve evolves, so must our strategy.

The quickening pace of the energy market evolution with renewables back stopped by various forms of firming generation is prompting large scale investment now and far into the future. It is through a combination of diligent focus on our relationship clients, our technical capabilities and our client delivery that we will achieve growth in this exciting market.

We have taken a ground-up approach to develop a strategic positioning that maximises Verbrec's potential and closely aligns with our client's contributions to the evolving structure of the energy market in Australia's journey to net-zero emissions.

The executive team are hard at work implementing this strategy, and as a Board, we are seeing real changes, both in the engagement with clients and the types of projects we are delivering and in the culture across the business.

With a capable executive team and a committed small Board, I am optimistic about Verbrec's future and I am committed to the company achieving the business performance and growth we have worked so hard to set foundations for.

I would lastly like to express my sincere thanks to our Shareholders for their steadfast support and thank my fellow directors and over 400 employees for their commitment, dedication and hard work over the last year.

- ends -

**Authorised for release by the Board of Directors of Verbrec Limited.**

### Company Enquiries

**Mark Read**

Chief Executive Officer

Mark.Read@verbrec.com

### Investor Relations

**Joel Voss**

Company Secretary

Investors@verbrec.com

### Media Enquiries

**Joel Voss**

Company Secretary

Investors@verbrec.com

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## About Verbrec Limited

Verbrec Limited (ASX : VBC) (Verbrec or the Company) a leading engineering, asset management, project delivery, operations & maintenance, training and mining technology service provider that supports customers across Australia, New Zealand, Papua New Guinea and beyond. The Company serves the energy, infrastructure, and mining industries through their technical specialties; asset management, automation and control, pipelines, power, process plant and training, with capabilities that span across the entire life cycle of an asset. Verbrec is an Australian Securities Exchange listed company (ASX:VBC).

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