



veris

FY22 Results

29 August 2022

Michael Shirley, Managing Director and CEO
Steve Harding, CFO

FY22 Highlights

Sale of Aqura Technologies

\$30m Enterprise Value to Telstra

Transformed Balance Sheet

- Paid down longstanding corporate debt
- \$17.2m net cash at 30 June

Return to Profitability

- \$21.1m Statutory NPAT
- \$0.5m NPAT from Continuing operations of Veris Australia

Board Renewal

- Appointment of:
 - Tracey Gosling (NED) &
 - Dr Michael Shirley (MD)
- Retirement of Adam Lamond

Simplified Operating Structure

Pure play, well capitalised, leading national spatial data services business

Capital Management

Activated on-market share buy-back

Strong Outlook

- \$55m of secured forward workload
- Unsecured, weighted project pipeline in excess of \$190m

Veris – driving value through spatial data



Subject matter experts in spatial data services delivering end-to-end solutions for our clients



Year-on-year revenue, earnings and margin growth



Fully funded with strong core competency and capabilities



Combining national strength with local knowledge and expertise to ensure the best outcomes for clients



Clear, refined and progressing strategy showing results



Strong, committed and identified pipeline of work

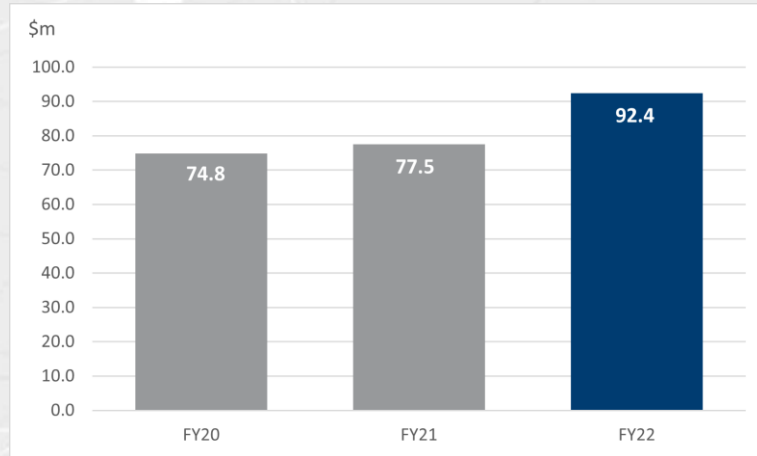


Positioned for sustained success

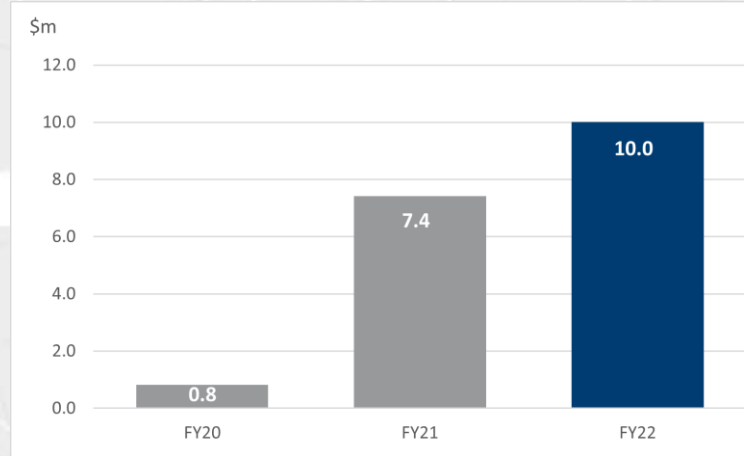
A strongly positioned, well capitalised, simplified pure-play spatial data services business

FY22 Financial Highlights

Sustained revenue growth



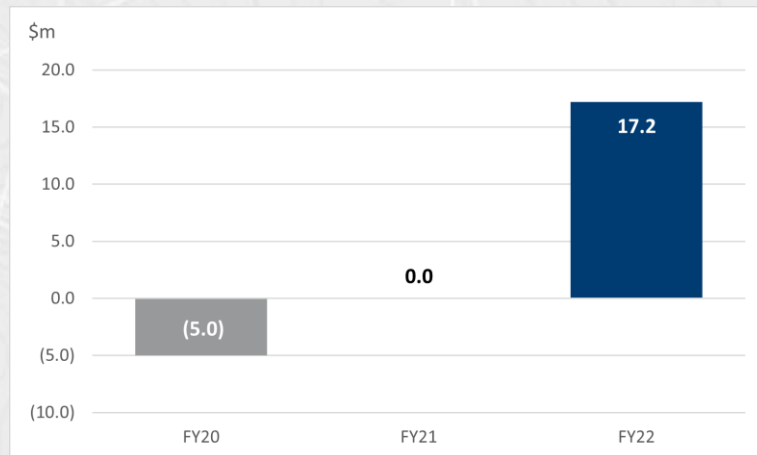
35% increase in EBITDA



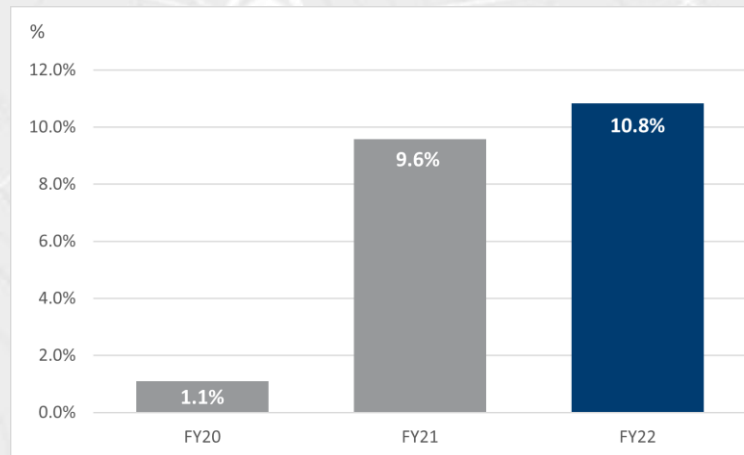
Return to profitability

- Group:
 - Statutory NPAT of \$21.1m
- Veris Australia:
 - \$0.5m after tax profit from continuing operations
 - Represents \$16.5m improvement since FY20.

\$17.2m net cash



Stronger EBITDA margins



Record workload and pipeline

- \$55m of secured forward workload
- Unsecured, weighted project pipeline in excess of \$190m.

FY22 Results Summary

Veris Australia Continuing Operations	FY22	FY21	FY20	Growth rate FY21 – FY22
Revenue	92.4	77.5	74.8	19.3%
EBITDA	10.0	7.4	0.8	35.0%
EBITDA Margin %	10.8%	9.6%	1.1%	
D&A	(8.4)	(7.8)	(13.5)	8.3%
Restructuring	(0.2)	(0.2)	(1.3)	(10.8%)
EBIT	1.4	(0.6)	(14.1)	317.6%
Finance Costs	(1.2)	(1.7)	(2.0)	(25.6%)
PBT	0.1	(2.3)	(16.0)	104.6%
Aqura PBT pre sale	(1.9)			
Net Profit on sale of Aqura	22.8			
Consolidated NPAT	21.1			

OVERVIEW

FY22 reflected continued execution on the turnaround strategy commenced in FY20 as demonstrated by:

- **19.3% growth in revenue in FY22**
 - despite enduring COVID-related impacts in H1 (lockdowns, border closures etc.)
- **Increasing EBITDA margins**
 - enhanced project management disciplines and simplified reporting structures
- **\$1.0m of COVID-related government support in FY22**
 - compared to \$4.5m in FY21
- **Lowered financing costs** resulting from payback of corporate debt
- **\$22.8m net profit on sale of Aqura** contributed to the consolidated Group net profit after tax of \$21.1m.

Balance Sheet

TRANSFORMATIONAL YEAR FOR THE VERIS GROUP BALANCE SHEET

BALANCE SHEET	Jun 22	Jun 21
Cash	18.2	4.7
Debtors & WIP	22.0	19.7
P,P&E	9.4	9.2
AASB16 Leases – ROUA	17.7	21.3
Deferred Tax Assets	3.7	4.5
Other	2.0	3.5
Total Assets	73.0	62.8
Trade Creditors	9.5	12.6
Employee Benefits (C + NC)	9.8	9.0
HP Lease Liabilities (Current)	1.5	2.5
AASB16 Leases – ROU (Current)	5.1	5.0
Borrowings	1.0	4.7
HP Lease Liabilities (Non-Current)	2.5	3.1
AASB16 Leases – ROU (Non-Current)	14.0	17.1
Other Liabilities	0.9	1.3
Total Liabilities	44.4	55.3
Net Assets	28.6	7.5

OVERVIEW

- Balance sheet transformed via the Aqura sale
- Strengthened financial position provides a platform to leverage efficiencies from operating model, for example:
 - Simplified, cost effective vehicle procurement arrangements
 - Whole of life equipment supply arrangements
 - Cost effective financing arrangements
- Strong net cash balance enables continued investment in our technological offering and provides underlying strength through periods of uncertainty.

SPECIFIC HIGHLIGHTS

- Cash at bank of \$18.2m
- Long-term corporate debt extinguished, replaced by lower cost facilities to support ongoing investment in technology and people
- Investment in working capital (debtors and WIP) reflects strong recovery in underlying markets as operating & market conditions improve post-COVID restrictions.

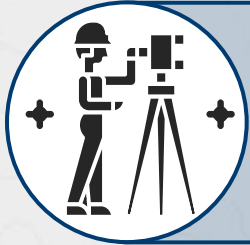
Cash Flow

\$m	FY22	FY21
Receipts from customers	112.3	102.3
Receipts from Govt Grants	1.6	6.8
Payments to suppliers & employees	(108.6)	(100.7)
Cash from operations	5.3	8.4
Less: net interest paid	(1.2)	(1.7)
Net cash from operating activities	4.0	6.7
Disposal of subsidiary (net of costs)	23.2	-
Proceeds from sale of P,P&E	2.1	0.1
Purchase of P,P&E	(4.6)	(2.3)
Acquisition of associate net of cash acquired	(0.2)	-
Repayment of loans & borrowings	(4.7)	(2.2)
Repayment of lease liabilities	(7.4)	(7.0)
Proceeds from loans	1.0	-
Proceeds from equity raise	-	7.5
Net increase/decrease in cash	13.5	2.8
Cash at 1 July	4.7	1.9
Cash at 30 June	18.2	4.7

OVERVIEW

- Strong cash generated from operations in FY22 despite continued costs incurred from COVID impacts, tight labour markets, extreme weather events and an inflationary environment.
- \$1.0m of COVID-related Government support in FY22 (FY21: \$6.8m) more than offset by ongoing operating costs and revenues foregone as a result of:
 - lockdowns;
 - border closures;
 - site restrictions; and
 - increased operating/ compliance costs.
- Net cash received upon sale of Aqura enabled repayment of outstanding corporate debt facility, resulting in reduction of net interest costs.

Driving value through the power of spatial data



National operating platform

The national surveying, planning and digital and spatial business provides a platform for growth.



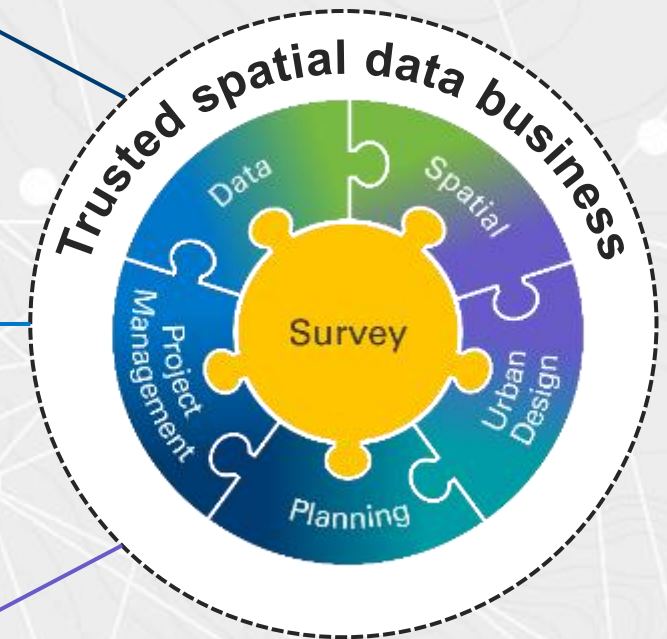
Professional services approach

To be sustainable, we need a professional services approach, that is differentiated from the competition, to get higher up the value chain and increase our margins.

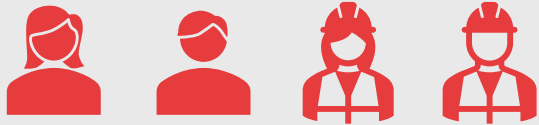
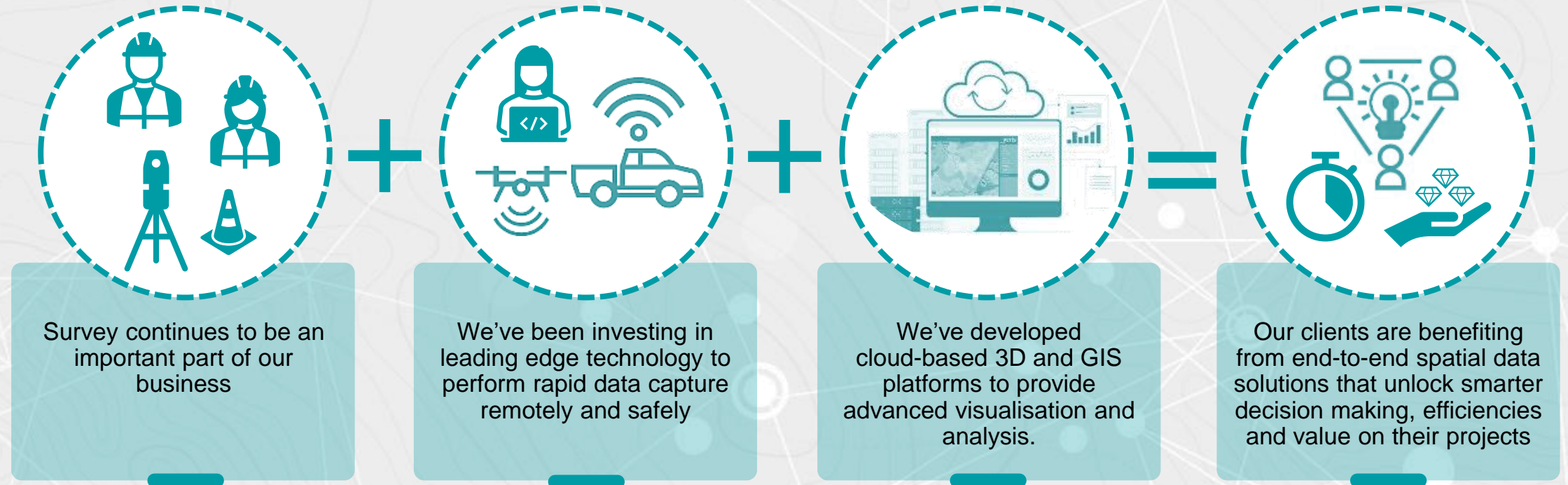


Value through data

Our strategy pivots us towards the delivery of value through data, providing end-to-end solutions for our clients – from data capture to insights.



Our journey from surveying to end-to-end spatial data solutions



Our industry leading, multi-disciplinary team offer a high value, professional services approach across the lifecycle of a project



Digital Twins the major driver for growth

Digital Twins will be the major driver of growth in 3D spatial data for the next decade

Markets and Markets report estimated the global Digital Twin market to grow from USD 6.9 billion in 2022 to USD 73.5 billion by 2027; an anticipated CAGR of 60.6% from 2022 to 2027.

Why are Digital Twins needed?

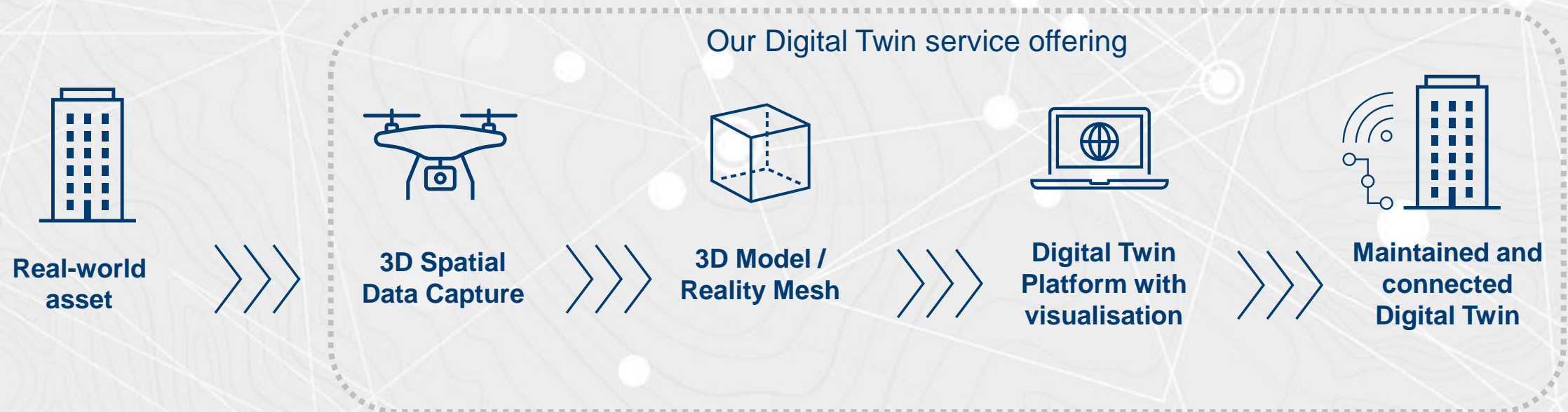
- Digital Twins enable asset owners to track change and perform analysis for performance optimisation across an asset's entire lifecycle
- Digital Twins are providing organisations with a significant ROI. This is driven by useful operational insights from a comprehensive virtual view of asset operations
- 3D visualisations save time and money as they reduce site visits enabling online collaboration and rapid decision-making from remote locations
- Tracking asset defects and performing simulations to predict maintenance are enabling asset owners to more accurately budget and make informed decisions on maintenance and repair.



Growth in Digital Twins aligned to our service offering and client base

Digital Twins are transforming asset management in Australia and across the globe

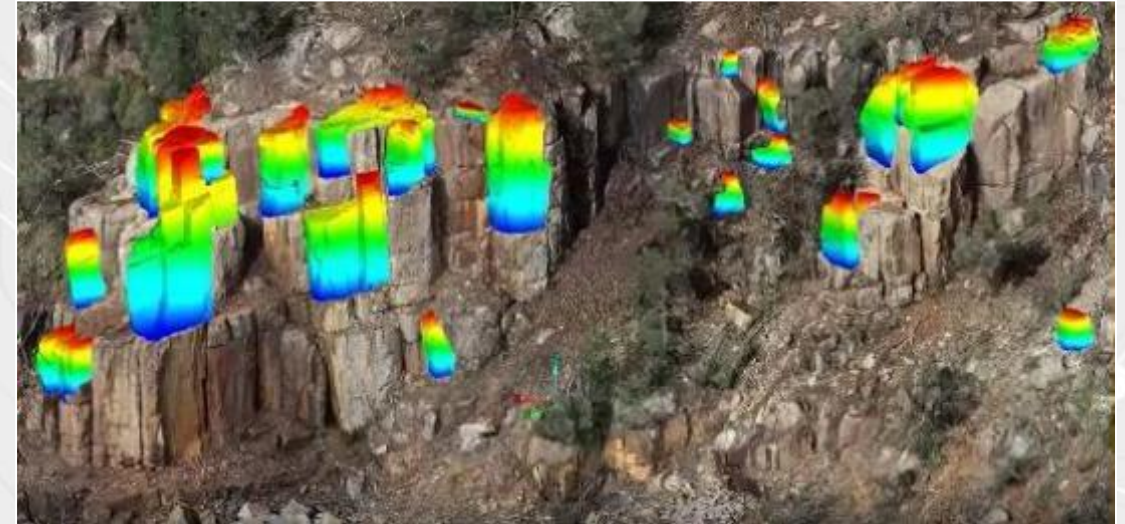
- Asset managers are beginning to operate their assets virtually to reduce risks, create efficiencies and realise savings
- Veris has the technology, platforms and capability to provide value across the building, delivery and maintenance of high-quality asset level Digital Twins
- Additionally, we already have in place relationships with some of Australia's largest asset owners and operators
- These types of services deliver higher margins and have the potential for recurring revenues.



Our strategy in action

Paradise Gorge Digital Twin, Tasmania

- Provided spatial data services and intelligence to inform, assess and protect against the risk of a rockfall.
- Captured high-quality 3D data used to create a 3D model.
- Connected real-time sensors to monitor the stability of the site whilst removing over 2,000 tonnes of boulders.
- Hosted the 3D data in our Digital Twin platform for easy access to the digital replica.
- Enabled the client to manage the risk remotely, visualise and troubleshoot boulder removal.



Delivering on strategic priorities

Investment in Strategy

People

- › Our people are the heart of our business.
- › Attract and retain the best talent.
- › Continue to invest in technical and leadership skills.
- › Committed to building a diverse workforce and an inclusive culture.
- › Growing Indigenous Pathways Program nationally through Wumara Alliance.

Strategic Growth

- › Key Account Management Program established.
- › Aligns business to clients who see value in national presence and multi-disciplinary expertise of Veris.
- › Over 40% share of FY22 revenue from Key Clients, representing YoY growth of over 30%.
- › Further growth in revenue from key accounts forecast.

Client Value

- › Investment in leading-edge technologies including data capture equipment and platforms.
- › Investment in specialist skill sets and leadership for greater cross selling and targeting of opportunities.
- › DaaS suite including 3SiDe and Vantage now being offered to clients.

Delivery

- › Heightened emphasis on project management.
- › Focus on internal simplicity and efficiency.
- › Establishment of a PMO to ensure company-wide standards.
- › Enhanced, timely project reporting and tracking.

Sustainable Profit

- › Sustained year-on-year revenue growth
- › Improved margins
- › Lower cost base
- › Delivering value through spatial data
- › Delivering return on capital.

A diverse portfolio of leading and trusted clients

Delivery of professional services across multi-disciplinary sectors



Pipeline

Confidence in an improving trajectory underpinned by strength in a growing forward workload and pipeline.



Despite the current economic uncertainty due to COVID-19, our secured forward workload has continued to grow and is in excess of \$55m.

25%↑

Increase in secured forward workload compared to Dec 20

In addition to our forward workload, we anticipate ongoing project variation and direct assignment works.

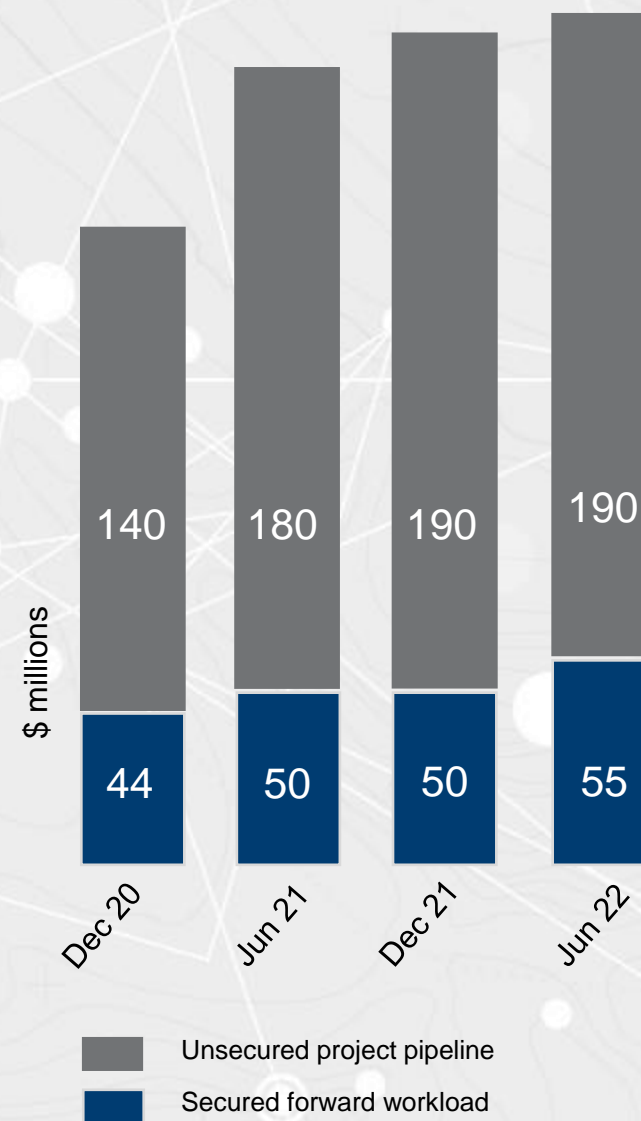
Healthy, unsecured project pipeline has continued to grow and has a weighted value of ~\$190m over the next 24 months.

35%↑

Increase in unsecured pipeline compared to Dec 20

Strong focus on conversion of identified infrastructure opportunities.

Pipeline growth

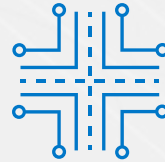


Outlook - well positioned in key markets



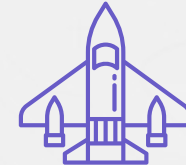
Property

Growth in greenfields residential, urban renewal and strata developments as market fundamentals remain strong.



Infrastructure

The wave of record-level infrastructure spending commitments in response to the COVID-19 pandemic continues to hit the market.



Defence

Ongoing investment by the Australian Government over the coming decade in new and upgraded Defence capabilities.



Mining and Resources

Continued demand for commodities as well as ongoing expenditure on operations and sustaining capital.



Energy

Significant shift in project investment in renewables and transmission infrastructure plus oil and gas.



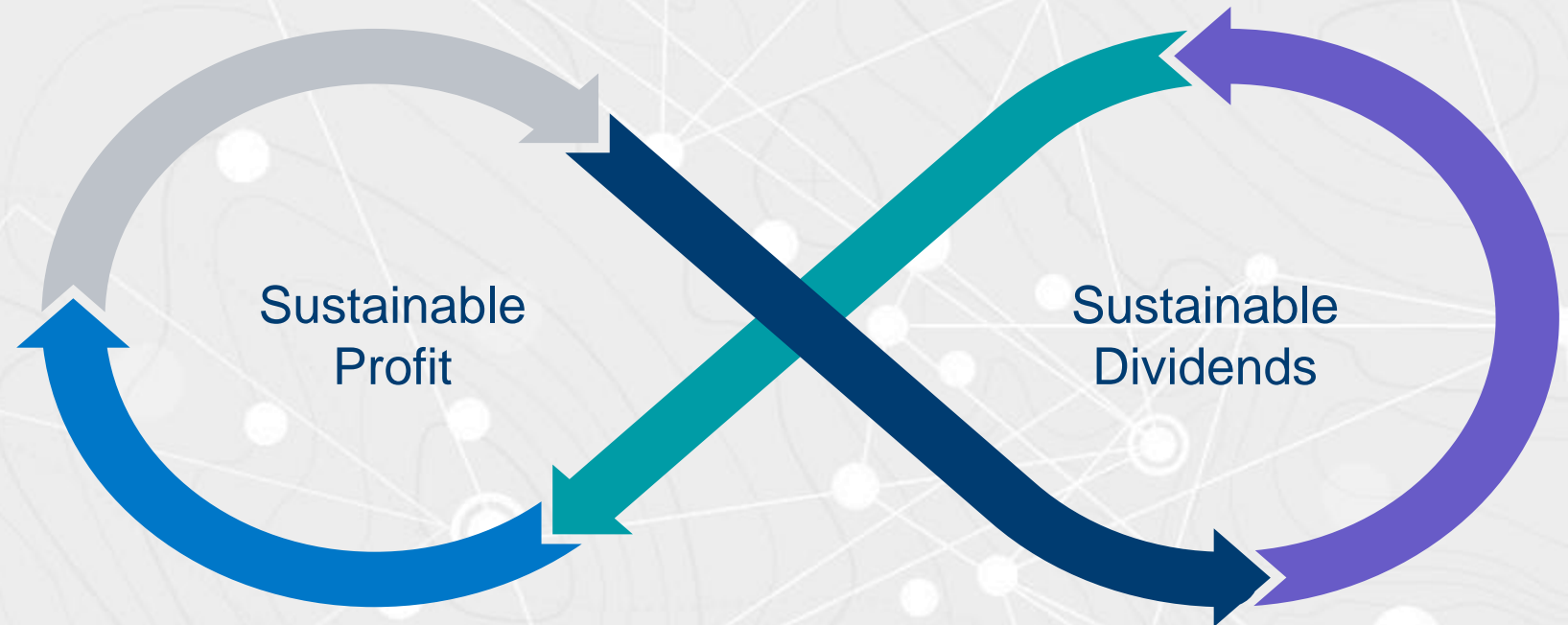
Government

Multi-sector spend including planning, transport infrastructure and smart cities / Digital Twin initiatives.

Veris capital management strategy

A strongly positioned, well capitalised, simplified pure-play spatial data services business

Our strategy is clear, refined and is progressing, with core elements of the strategy showing results



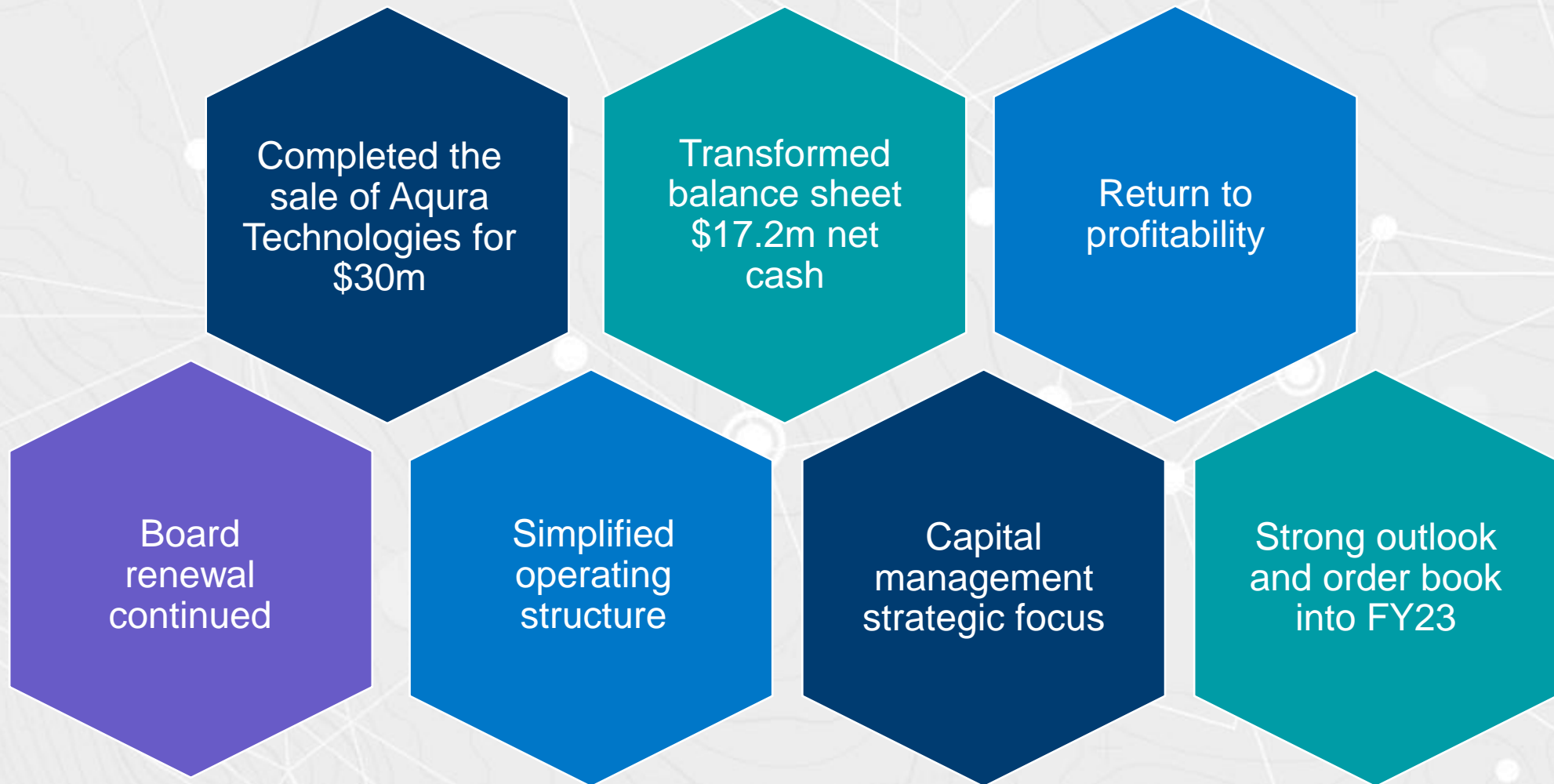
We will continue to grow sustainably in a measured and performed way

We will have a strong balance sheet allowing us to deliver operational savings

We have a positive outlook over the next three years

Summary

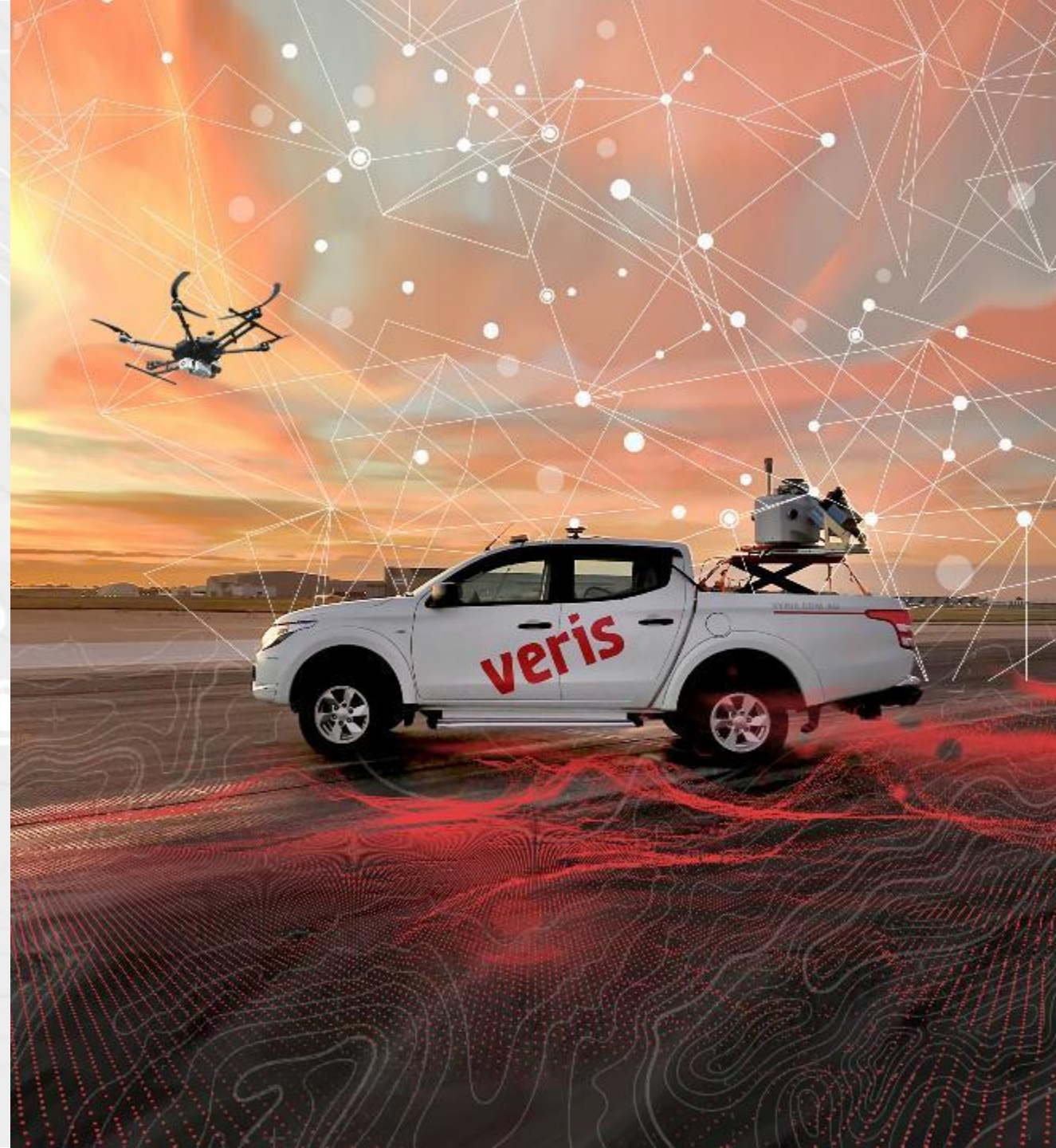
FY22 was a transformational year for Veris



Capital structure

Corporate Snapshot

ASX Code	VRS
Share Price (26 Aug 2022)	\$0.074
Shares on Issue	523.7m
Market Capitalisation (26 Aug 2022)	\$38.7m
Cash at Bank (30 June 2022)	\$18.2m
Corporate Borrowings (30 June 2022)	(\$1.0m)
Net Cash (30 June 2022)	\$17.2m



Contact us

The Veris logo is displayed in a bold, red, sans-serif font. It is positioned in the upper right corner of the image, which is a white pickup truck with the Veris logo on its side. The truck is parked on a paved surface, and the background shows a body of water and some buildings under a cloudy sky.

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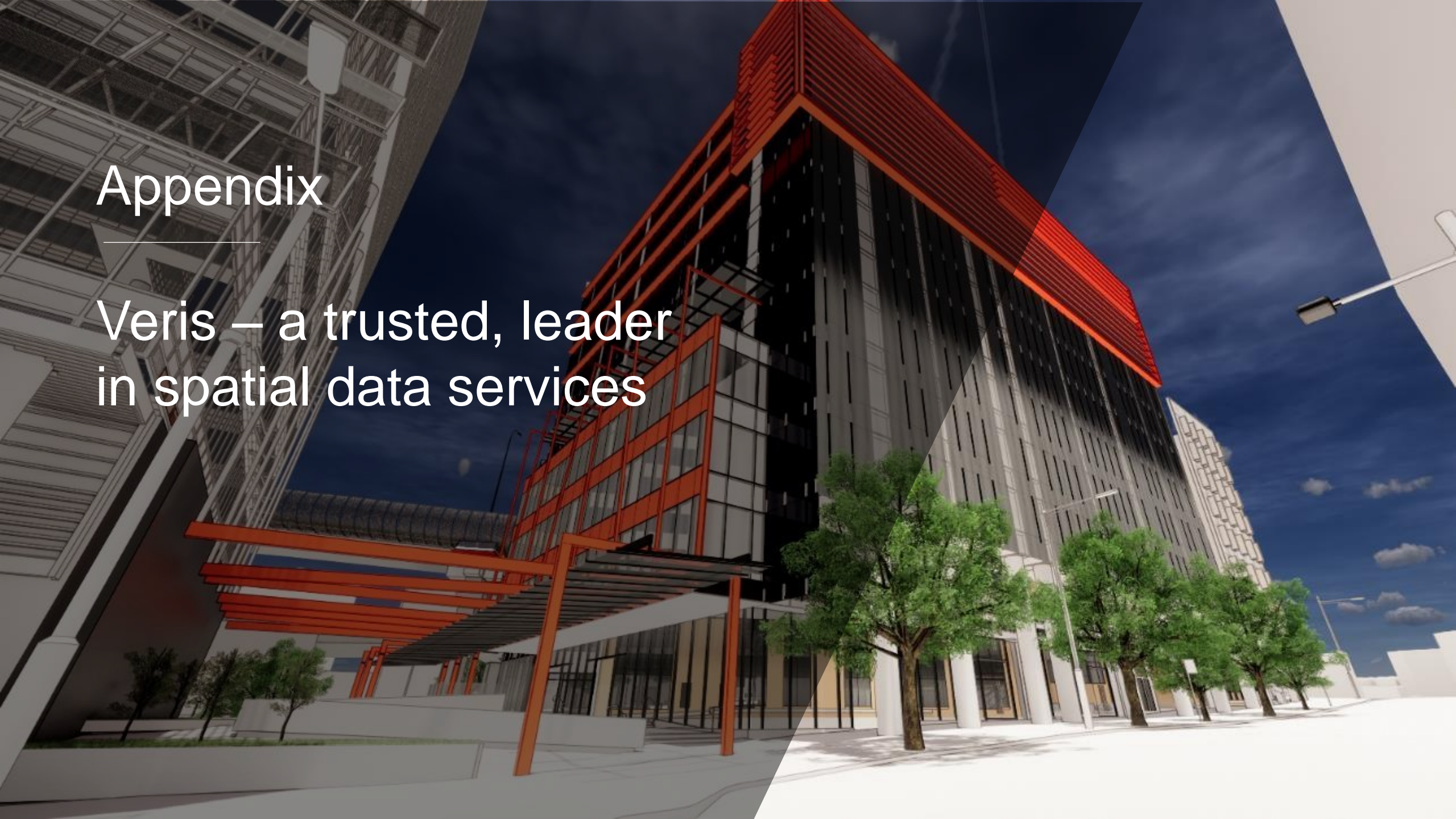
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Appendix

Veris – a trusted, leader
in spatial data services



Who we are and how we deliver solutions to clients

Veris Australia is a leading provider of spatial data services.

ENGINEERING SURVEY

Civil construction and engineering survey solutions for major infrastructure.



PROPERTY SURVEY

Land surveying, cadastral and consulting solutions for urban renewal and greenfield developments and commercial property.



DIGITAL & SPATIAL

3D scanning, digital & spatial data capture, storage, management, analysis and visualisation.



PLANNING AND URBAN DESIGN

Due diligence, strategic planning, master planning, place-making and planning approvals.



Veris Australia platform



veris

2008

OTOC Australia established

2011

Acquired Whelans

2014

- Acquired Geo-Metric
- Acquired Bosco Jonson

2015

- Acquired THG Resource Strategists

2016

- Renamed to Veris
- Acquired Lawrence Group
- Acquired Lester Franks
- Acquired Linker Surveying

2017

- Launch of AQURA Technologies
- Acquired LANDdata Surveys

2018

- Acquired Elton Consulting (divested in 2019)

2019/2020

- Establishment of new Leadership Team
- Internal efficiency and operational overheads
- Financial discipline and project controls

2021/2022

- Key Account focus and growth
- Technology and Capability Investment
- Built an Employer Brand Identity
- Indigenous Participation – Acquires 49% interest in Wumara Group
- Veris/Wumara working together to assist in closing the gap between Indigenous and non-Indigenous Australians, through traineeships and a national first, pathways program
- Divested Aqura Technologies for \$30m.

Pathway back to growth post COVID

We continue to navigate the impacts of COVID-19 ...

580+
Workforce

8.6% growth since
Dec 2019.

Retention and growth of
skilled workforce.



Greater take up of flexible
working.

\$55m
workload

25%↑

Compared to Dec '20

Growing a diverse
portfolio of work.



Continued investment in
capability and capacity.

\$92.4m
Revenue

23.5% rev growth since FY20.

Continued revenue growth.



Focus on health and wellbeing
of our people.