



*A trusted, leading provider of spatial data services*

# Annual General Meeting

Presented by:

**Karl Paganin, Chairman**

**Michael Shirley, Managing Director & CEO**

**Steve Harding, CFO**

18 October 2023

**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.**

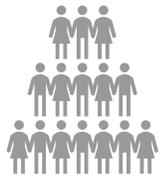
We respect and honour  
Aboriginal and Torres Strait  
Islander Elders past, and  
present. We acknowledge  
the stories, traditions and  
living cultures of Aboriginal  
and Torres Strait Islander  
peoples on this land and  
commit to building a brighter  
future together.

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



# Veris – a trusted, leading provider of spatial data services

## Company Profile



**500+**

People



**15**

Offices  
across  
Australia

## Industries

Infrastructure



Mining



Defence



Property



Utilities



Government



## Our Services

**DIGITAL &  
SPATIAL**

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

**ENGINEERING  
SURVEY**

Civil construction and engineering survey solutions for major infrastructure.

**PROPERTY  
SURVEY**

Land surveying, cadastral and consulting solutions.

**PLANNING &  
URBAN DESIGN**

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



WumaraGroup

**49% interest in  
Indigenous owned  
Wumara Group**

# FY23 Highlights

Continuing to do what we said we'd do

**Profit before  
Tax**

**\$1.1m**

Up from \$0.1m in FY22

**Revenue**

**\$100.9m**

Up from \$92.4m in FY22

**CAGR  
Revenue**

**10.5% p.a.**

Since FY20

**Reinstating Final  
Dividend**

**0.15 cps**

Delivered out of operational performance

**Higher margin  
returns**



From Digital & Spatial, Planning & Urban Design Business Lines

**Investment in  
leading-edge tech  
and capability**



Essential for strategic growth

**Strengthened  
skill sets**



In areas including AI and Data Analytics

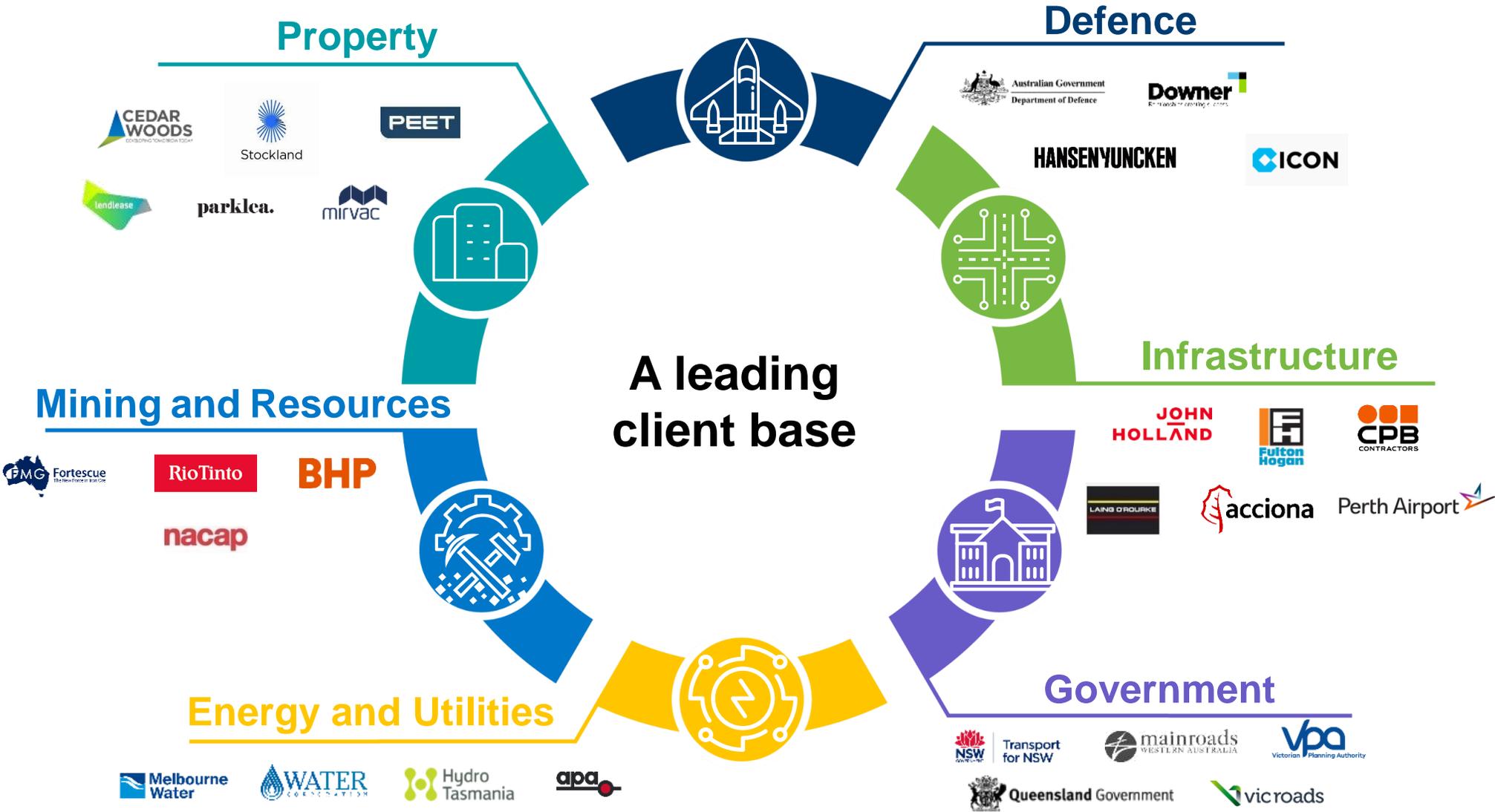
**Driving operational  
efficiencies**



To deliver ongoing margin growth at national scale

# Unlocking growth in key accounts

Building trust and resilience





# Financials

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# FY23 Results Summary

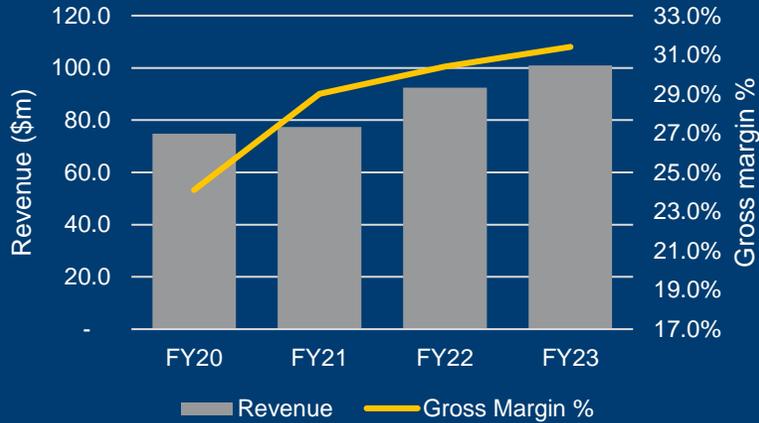
## Highlights

- Strong revenue growth yoy,
  - ✓ 9.2% revenue growth in FY23
  - ✓ Revenue CAGR of 10.5% since FY20
  
- Margin improvement focus delivering tangible results
  - ✓ Gross margin % improved
  - ✓ Underlying EBITDA margin % improved
  - ✓ EBIT margin % improved
  - ✓ PBT margin % improved
  
- Underlying profitable result for Veris' core spatial data offering.

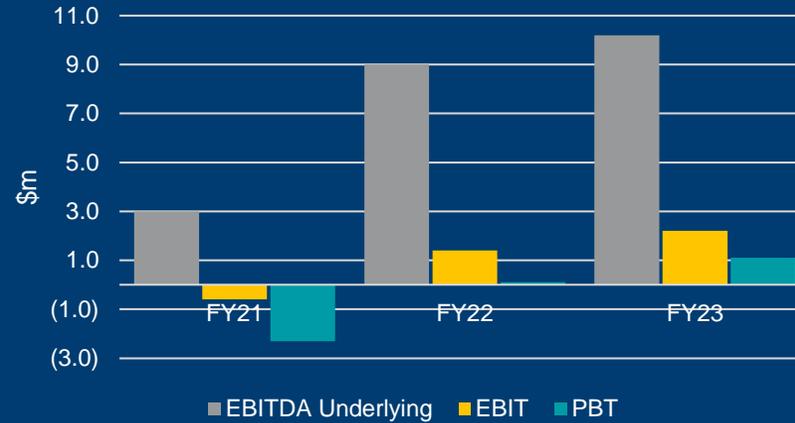
Veris Continuing Operations	FY20	FY21	FY22	FY23*	Growth rate %
<b>Revenue</b>	<b>74.8</b>	<b>77.5</b>	<b>92.4</b>	<b>100.9</b>	<b>9%</b>
<i>Gross margin %</i>	<i>24.1%</i>	<i>29.0%</i>	<i>30.4%</i>	<i>31.4%</i>	
<b>EBITDA reported</b>	<b>0.8</b>	<b>7.4</b>	<b>10.0</b>	<b>10.2</b>	<b>2%</b>
<i>EBITDA Reported margin %</i>	<i>1.1%</i>	<i>9.6%</i>	<i>10.8%</i>	<i>10.1%</i>	
D&A	(13.5)	(7.8)	(8.4)	(8.0)	(5%)
Restructuring	(1.3)	(0.2)	(0.2)	-	
<b>EBIT</b>	<b>(14.1)</b>	<b>(0.6)</b>	<b>1.4</b>	<b>2.2</b>	<b>61%</b>
Finance Costs	(2.0)	(1.7)	(1.2)	(0.8)	(34%)
Share Based Payments	-	-	-	(0.2)	
Equity accounted profit of investee	-	-	-	0.1	
<b>PBT</b>	<b>(16.0)</b>	<b>(2.3)</b>	<b>0.1</b>	<b>1.1</b>	<b>920%</b>
<b><u>Underlying EBITDA Reconciliation</u></b>					
EBITDA Reported	<b>0.8</b>	<b>7.4</b>	<b>10.0</b>	<b>10.2</b>	<b>2%</b>
Less: Govt Grants	-	(4.4)	(1.0)	-	
<b>EBITDA Underlying</b>	<b>0.8</b>	<b>3.0</b>	<b>9.0</b>	<b>10.2</b>	<b>13.3%</b>
<i>Underlying EBITDA Margin %</i>	<i>1.1%</i>	<i>3.8%</i>	<i>9.7%</i>	<i>10.1%</i>	

# FY23 Financials

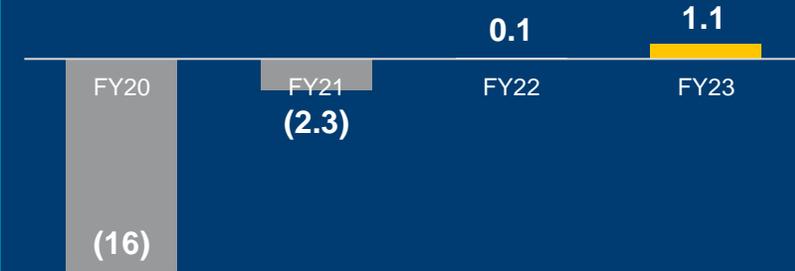
### Gross Margin Improvement



### EBITDA & EBIT Increasing



### Profit Before Tax



- First full year without COVID-related interruptions & lockdowns impacting operations and results
- Strong focus on margin improvement delivering enhanced results via:
  - project management disciplines and
  - targeting key clients and larger project work
- \$17m+ turnaround at the bottom line in 3 years - the historical financial deficit was significant, our strategy has been focused on returning the business to sustainable, profitable growth.

# Balance sheet

## STRONG BALANCE SHEET TO UNDERPIN CONTINUED STRATEGY EXECUTION

Balance Sheet	Jun 23	Jun 22
Cash	17.3	18.2
Debtors & WIP	19.7	22.0
P,P&E	9.8	7.2
AASB16 Leases – ROUA	16.4	19.9
Deferred Tax Assets	3.7	3.7
Intangible assets	0.3	-
Other	2.3	2.0
<b>Total Assets</b>	<b>69.5</b>	<b>73.0</b>
Trade Creditors	7.2	9.5
Employee Benefits (C + NC)	8.7	9.8
HP Lease Liabilities (Current)	0.7	1.5
HP Lease Liabilities (Non-Current)	0.8	2.5
Borrowings	5.0	1.0
AASB16 Leases – ROU (Current)	4.9	5.1
AASB16 Leases – ROU (Non-Current)	12.7	14.0
Other Liabilities	0.8	0.9
<b>Total Liabilities</b>	<b>40.7</b>	<b>44.4</b>
<b>Net Assets</b>	<b>28.8</b>	<b>28.6</b>

## Overview

- Cash at bank and term deposits of \$17.3m
- Strong focus on working capital management
- Capitalised R&D spend associated with internally developed Digital & Spatial services
- Lower cost corporate debt accessed to support ongoing investment in equipment technology
- Cash flow from operations utilised to extinguish higher cost traditional HP equipment finance
- Strong net cash balance provides underlying strength through periods of uncertainty.



# Executing our strategy

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# Delivered on strategic priorities

## What we said we'd do

Return the business to profitability

Increase margins

Maintain a strong capital position

Pivot to a spatial data business

Crystallise shareholder returns

## FY23 outcomes

Delivered profitable result for Veris' core digital and spatial services offering.



YOY margin growth in EBITDA, EBIT and PBT.



Strong capital base of \$17.3m cash and term deposits at 30 June 2023.



Invested & commercialised a suite of Data and Digital solutions.



Declared final dividend **0.15c** per share and Continuation of on-market share buyback.



We have achieved this whilst continuing to invest in key areas of our strategy to set the business up for sustainable, profitable growth.

# Executing on our strategy

## Returning the business to sustainable, profitable growth



### Spatial Data strategy progress

Continued investment in leading-edge technology.

Acquisition of skillsets aligned to spatial data strategy.

Successful expansion of value proposition to clients via integration of data and digital solutions.

Development of data hosting, analytics and AI capabilities.



### Operational Excellence

Renewed focus on driving innovation and operational efficiencies.

Accelerated our pivot from lower margin work in the second half of FY23.

Appointment of Julie Stanley as COO.

Investment in enhanced project management.

Re-negotiation of key supply arrangements.



### Investing in our People

Young Professionals Program third annual intake.

Implemented a Diversity & Inclusion policy and framework.

Strong representation of women in leadership team.

Refreshed set of values.

Growing Indigenous Participation through Wumara Group alliance.

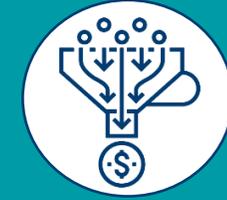


### Unlocking growth in key accounts

Concentrated effort to build trust and mutual benefit with key clients.

Increased share of revenue from key clients – 45% in FY23.

Delivering improved margins for higher value services.



### Strong Pipeline & outlook

Continued strong pipeline and outlook.

Demonstrated track record in converting backlog and pipeline to revenue.

Service offering spans a diverse spread of markets.

# Our people are at the heart of our business

## Women in our workforce - progress

Women in senior leadership roles



10+

Representation of women in workforce



20.2%

Up from 2022

Representation of women in Young Professionals Program

38%

2023 Intake



## People initiatives;



- Attracting and retaining the best
- Work arrangements that support diversity and inclusion, build trust and promote flexibility
- Strengthened employee development programs, focusing on performance management and succession planning
- Reviewed and refresh of our values
- Continued focus on the Young Professionals Program (YPP)
- Review of ESG initiatives commenced with focus on reporting in line with the relevant voluntary frameworks.

# Continuously driving a safety culture



**The Working Safely – Michael Formosa Award** seeks to drive continuous improvement and tireless focus on all our efforts to stay safe and to keep each other safe.



**‘One Safe Step at a Time’** was something Michael Formosa would say, and the initiative to adopt this message more widely was developed and is currently being rolled out across the business nationally.



**Izac Anderson, Senior Surveyor - Engineering Survey** in our Victorian team, was named the inaugural winner of the Michael Formosa Safety Award 2023!

# Industry Awards



Paradise Gorge Digital Twin Project  
**Technical Excellence Award**  
Asia-Pacific Spatial Excellence Awards TAS



M6 Stage 1  
**Technical Excellence Award**  
Geospatial Excellence Awards NSW



3D Monitoring of the Robe Coastline project  
**Community Impact Award**  
Asia-Pacific Spatial Excellence Awards SA



Young Professionals Program  
**Workforce Development and Inclusion Award**  
Asia-Pacific Spatial Excellence Awards Victoria



Cardinia Shire Council Project  
**Excellence in Innovation Award**  
IPWEA Engineering Excellence Awards VIC



Indigenous Surveyor Employment Pathway Program  
**Workforce Development and Inclusion Award**  
Asia-Pacific Spatial Excellence Awards NSW & National



Cardinia Shire Council Project  
**Community Impact Award**  
Geospatial Excellence Awards VIC



Nathan Quadros, Digital & Spatial Business Lead  
**Bruce Thompson Innovation Award**  
Asia-Pacific Spatial Excellence Awards National



Hobart Rivulet Digital Twin  
**Geospatial Enablement**  
Geospatial Excellence Awards TAS



National Firm Category  
**Surveying Consultancy Excellence Awards**  
Consulting Surveyors National



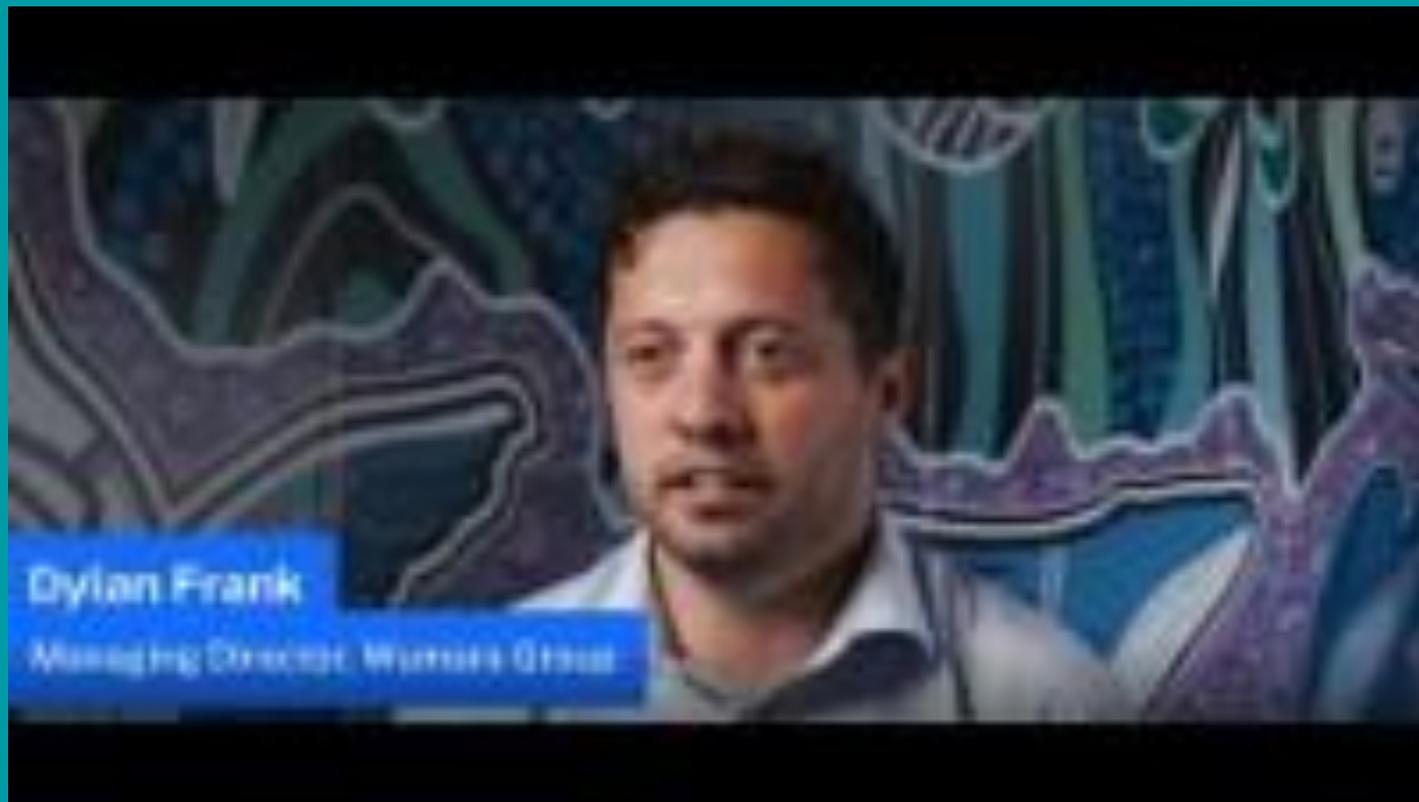
North-West Coast Underwater Bridge Inspections  
**Technical Excellence Award**  
Geospatial Excellence Awards TAS

# Indigenous Participation

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There are numerous success stories emerging from our Alliance with Wumara Group, which aligns to our Reconciliation Action Plan, including:

- **The Indigenous Surveyor Employment Pathway Program** - an award-winning program providing opportunities for Indigenous Australians to build a career in the surveying industry.
- **Working together on major projects** resulting in the growth and capacity building of the Wumara business.
- **Enhanced cultural awareness and learning** to foster greater recognition and understanding of First Nations Peoples culture and history.



Video Link: <https://www.youtube.com/watch?v=gxh7-PbGVUI>

# Digital strategy in action

## Our difference is we collect, hold and understand the data.

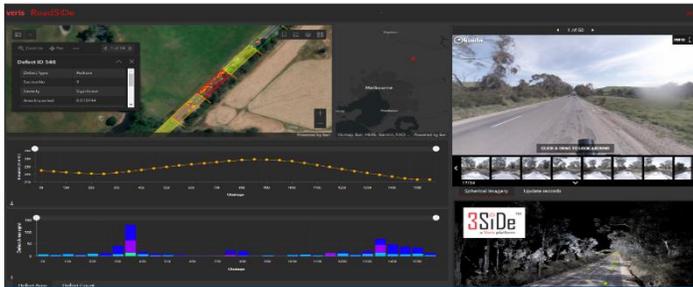
- Our clients need to visualise changes to assets regularly as part of operations and decision making.
- Our offering meets this need, by providing:
  - \_ 3D data capture of assets
  - \_ Real-time monitoring
  - \_ A cloud-based platform.
- The data can also be re-used by additional clients for multiple purposes, expanding the addressable market for the data.
- Our digital platforms are easy to adopt for clients to access the data.
- With each additional client, long term repeatable project annuity revenues are building.
- There is long term value in hosting data and AI based analytics that can be re-used beyond a single client.



# Digital solutions

Our strategic move to integrate data and digital solutions across our service offerings positions Veris at the forefront of spatial innovation

**RoadSiDe**  
a Veris platform



## 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.

**3SiDe**  
a Veris platform



## Data hosting, visualisation & analysis

- Rapid, safe 3D data capture of physical assets such as buildings, vegetation, and infrastructure.
- Data hosting, visualisation and analysis using our cloud-based 3SiDe platform.
- Ideal place to create and manage 3D digital twins of physical assets such as buildings, vegetation, and infrastructure.

**Vantage**  
a Veris platform



## Manage data for Greenfields Property

- Provides a cloud-based, central data management platform for Greenfields developments.
- Information is continually updated and is readily accessible as a Development progresses.
- Unlocks the power of GIS analysis to empower stakeholders to visualise and interact with data.

# Digital solutions for Road Corridor Inspections

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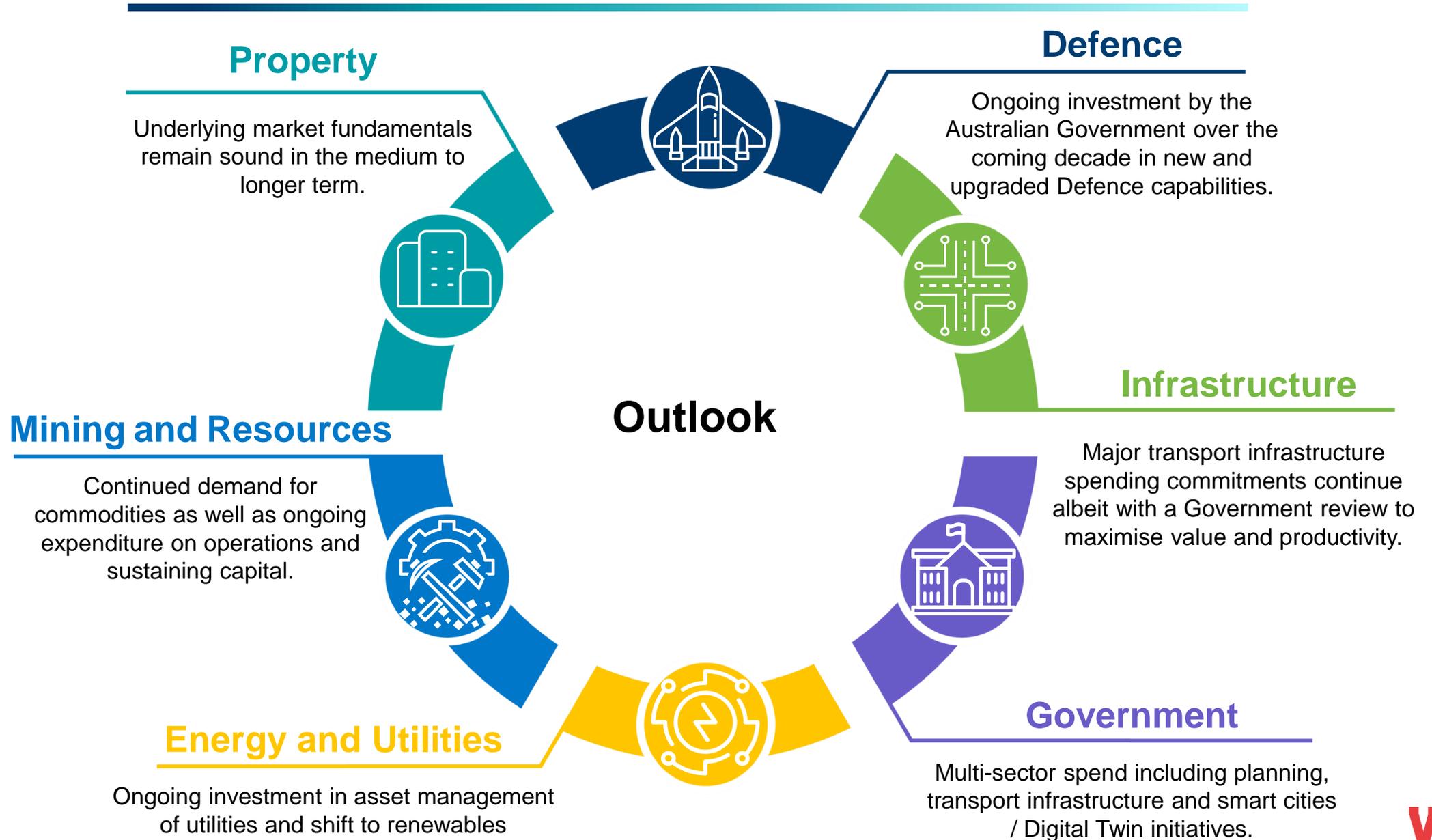
Video Link: [https://www.youtube.com/watch?v=kx\\_7r9xxx1s](https://www.youtube.com/watch?v=kx_7r9xxx1s)



# Outlook & Pipeline

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# Market outlook



# Pipeline

Despite some economic uncertainty, Veris has a growing pipeline and outlook underpinned by national footprint and positioning across a diverse spread of markets.



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



Healthy, unsecured project pipeline has a weighted value in excess of \$200m.

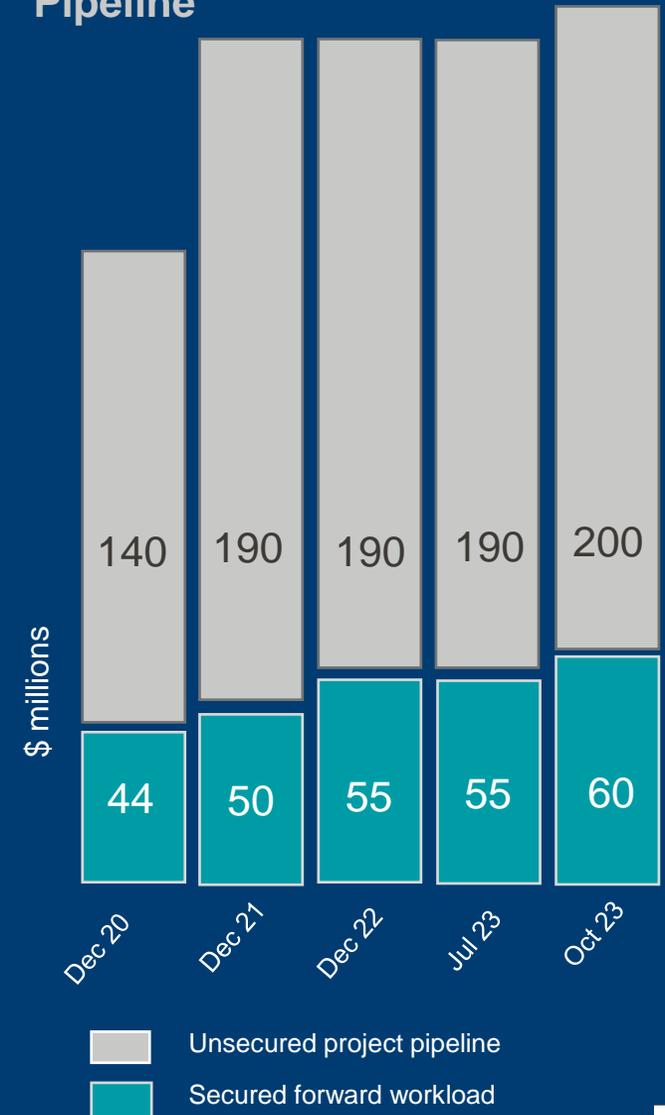


In addition to forward workload, we anticipate ongoing project variation and direct assignment works.



Strong track record in demonstrating the conversion of our backlog and pipeline to revenue and margin in subsequent periods, providing confidence in our outlook.

## Pipeline



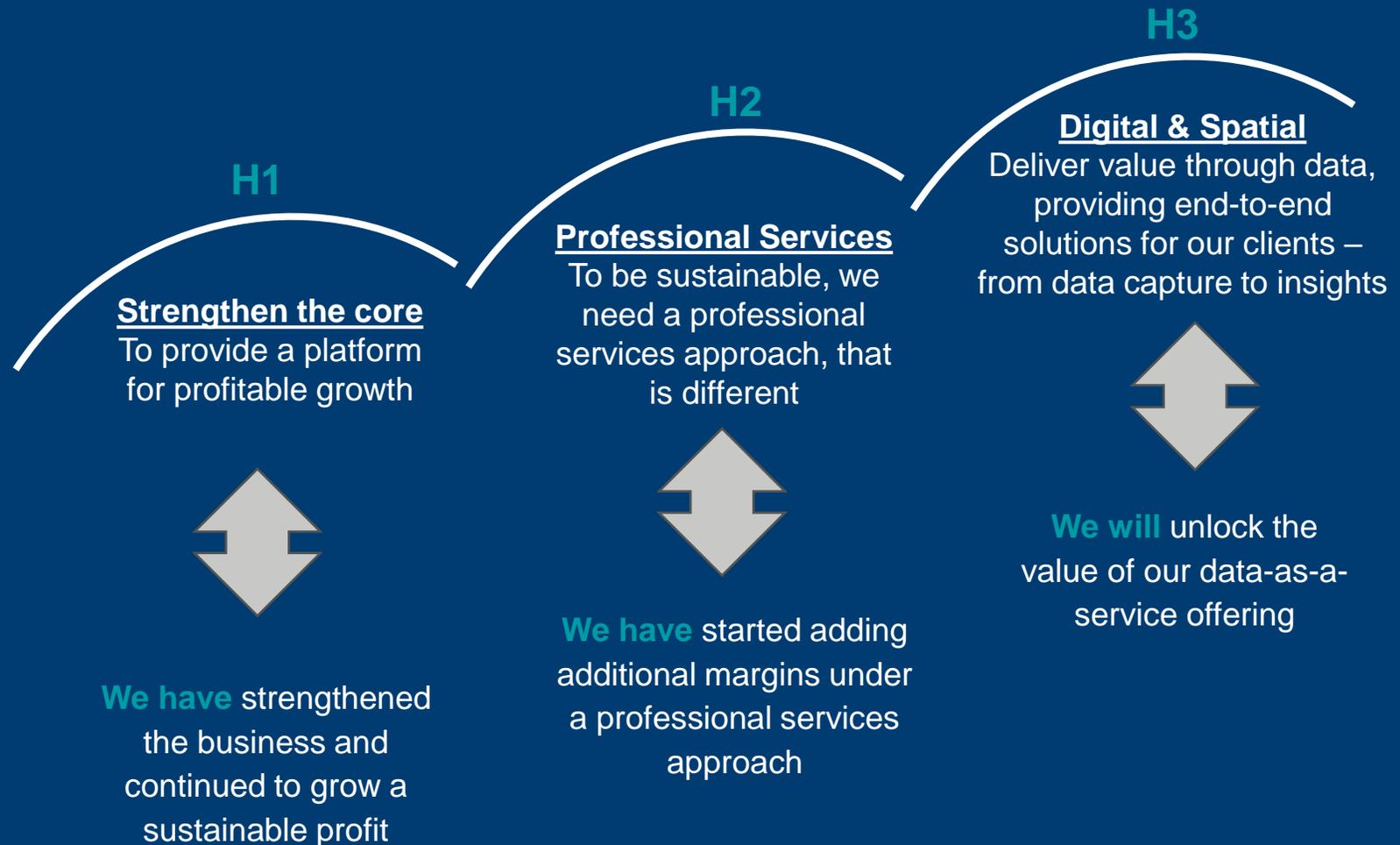


# Q1 Update

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# Consistent performance and growth

We are delivering smarter solutions for our key clients with higher margins.



# Q1 FY24 Trading Update

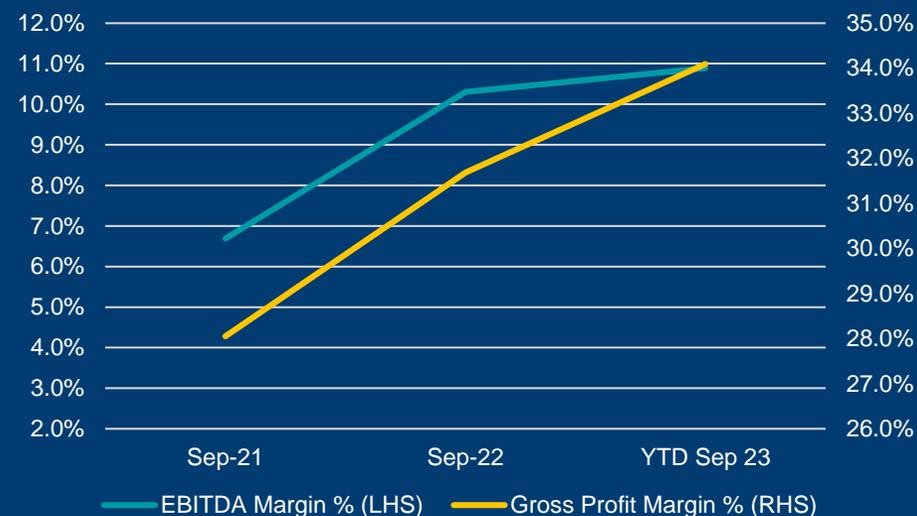
Q1 FY24 has seen the continuation of our focus on growth and improvement in margins

Veris Australia (Unaudited) \$M	Q1 FY22	PCP Q1 FY23	Q1 FY24
<b>Revenue</b>	<b>20.8</b>	<b>27.8</b>	<b>24.9</b>
<b>EBITDA</b>	<b>1.4</b>	<b>2.9</b>	<b>2.7</b>
<i>EBITDA Margin %</i>	<i>6.7%</i>	<i>10.3%</i>	<i>10.9%</i>
<b>PBT</b>	<b>(0.8)</b>	<b>0.5</b>	<b>0.5</b>
<i>PBT Margin %</i>	<i>(4.0%)</i>	<i>1.7%</i>	<i>2.0%</i>

## Overview

- Strong focus on “winning the right work” necessitated by a competitive landscape for skilled labour and broader inflationary pressures seen in our key operational costs.
- Further margin improvement remains a key, ongoing focus.

## Veris Margin % Growth



## Q1 PBT Margins FY21 -FY23





# Summary

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# Summary

**Continued progress delivering on our strategy – doing what we said we would**



A profitable result for Veris' core spatial data offering.

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Margin improvement focus and operational excellence delivering tangible results.

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Strong net cash position enabling transformational opportunities including the assessment of M&A opportunities.

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Reinstating final dividend paying 0.15c.

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Spatial data strategy is expanding Veris' value proposition to clients.

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Strong pipeline and outlook underpinned by national footprint and diverse spread of markets.

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Q1 FY24 demonstrates continued improvement in margin and strategy execution.



# Appendix

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# Capital Structure

Corporate Snapshot	
ASX Code	VRS
Share Price (17 October 2023)	\$0.073
Shares on Issue	512.9m
Market Capitalisation (17 October 2023)	\$37.4m
Cash at Bank (30 June)	\$17.3m

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