

12 October 2026

Aurecon deal adds key exposure

- Aurecon deal adds ~\$4.5m guaranteed revenue in year one
- Low-cost, cash-funded deal; earnings accretive in FY27
- Forecast earnings growth provides capital return optionality

Three-year national partnering agreement with Aurecon: Veris has agreed to acquire Aurecon's Australian survey and spatial data collection operations (~30 professionals across Brisbane, Sydney, Newcastle and Melbourne) and, alongside it, entered a three-year exclusive national Partnering Agreement. Veris gains first right of refusal on all survey and related digital data capture work across Aurecon's Australian projects. Aurecon are one of Australia's largest engineering consultancies with ~7k employees throughout Australia and Asia-Pacific. The agreement carries a minimum first-year revenue commitment of \$4.5m (~4.4% of FY26 revenue), with management flagging an annual revenue opportunity of ~\$6-7m thereafter. Completion is expected in early Nov-26.

Step-change into priority sectors at a low entry price: Total consideration is \$2.5m, including ~\$1.2m of assumed employee leave entitlements, implying a net upfront cash outlay of ~\$1.3m (~10% of 30 June cash of \$13.3m). On our estimates the deal is priced at ~0.6x first-year revenue and ~4.6x first-year EBITDA (on full consideration), falling to ~3.2x on the \$6-7m run-rate. Importantly, it directly targets the Water, Defence and Energy end-markets we highlighted in our FY26 note as key structural growth areas.

Forecasts upgraded: In FY27/FY28 MSTe underlying EPS growth (diluted) to be 24%/38% versus the 12%/21% previously. With a consistent dividend payout and share buyback, the increase in EPS could be returned to shareholders or kept as dry powder for further acquisitive growth.

Investment Thesis

Diversified with unique digital capabilities: Veris is positioned to grow revenue but more importantly margins, with a strong diversified pipeline across a range of sectors (incl infrastructure, property, defence & resources) and key major clients. Newly commercialised end-to-end digital offerings (data hosting, 3D and Digital Twin platforms) and spatial data expertise (aided by the Spatial Vision & Mesh deals) add to its competitive advantage.

Balance sheet adds to position of strength: High cash balance has led to significant operational benefits relating to various supply arrangements while also supporting an ongoing buyback program and giving Veris the ability to capitalise on value accretive opportunities that may arise.

Management execution: Since the turnaround in FY21 under new management, the company has seen an improvement of more than \$17m to profitability. The streamlining of the core business is enabling Veris to focus on its longer-term strategy which is increasingly leveraging its national scale and strong position in digital consulting services and spatial data analytics.

Valuation & Risks

Our DCF valuation is now \$0.24/share (from \$0.23 previously) after adjusting for the uplift from the deal. At ~3.2x EV/EBITDA FY26 (including lease liabilities), Veris offers significant value compared to peers. A key risk includes on time contract delivery. A full list of risks is detailed on page 9.

Equity Research Australia

Commercial & Professional Services

Andrew Johnston, Senior Analyst
andrew.johnston@mstaccess.com.au



Veris is Australia's leading end-to-end provider of digital spatial data services to a range of industries nationally, with a particular focus on data capture, data hosting and data analytics. Spatial data services are used to describe the shape and location of features and boundaries including natural features, buildings, survey marks, and administrative boundary areas. The company also provides services in engineering and property surveying, as well as town planning and urban design.
www.veris.com.au

Valuation	A\$0.240 (from A\$0.230)
Current price	A\$0.043
Market cap	A\$23m
Cash on hand	A\$13.3m (30 Jun 2026)

Additional Resources

[RoadSiDe Digital Solution Demo](#)
[BridgeSiDe Digital Solution Demo](#)

Upcoming Catalysts / Next News

Period	
Ongoing	Additional contract updates
5 months	1H27 result

Share Price (A\$)



Source: FactSet, MST Access

This report has been prepared and issued by the named analyst of MST Access in consideration of a fee payable by: Veris (VRS.AX)

Report prepared by MST Access, a registered business name of MST Financial Services Limited ABN 54 617 475 180 AFSL 500 557.

Figure 1: Financial Summary

Year end 30 June							12 month share price performance						
MARKET DATA - Year end 30 June													
Price	\$	0.043											
DCF Valuation	\$	0.24											
Total return	%	453%											
52 week high / low	\$	0.038-0.076											
Market capitalisation	\$m	23											
Shares on issue (fully diluted)	m	609.1											
INVESTMENT FUNDAMENTALS							PROFIT AND LOSS						
		FY25A	FY26A	FY27E	FY28E	FY29E			FY25A	FY26A	FY27E	FY28E	FY29E
Reported NPAT	\$m	2.0	0.6	2.9	4.0	4.8	Revenue	\$m	97.2	102.0	106.6	114.4	117.8
Underlying NPAT result	\$m	2.6	2.2	2.9	4.0	4.8	Operating Expenses	\$m	-87.2	-91.6	-95.4	-101.6	-104.0
Reported EPS - diluted	¢	0.4	0.1	0.5	0.7	0.8	Underlying EBITDA	\$m	10.0	10.3	11.2	12.8	13.8
Underlying EPS (diluted)		0.5	0.4	0.5	0.7	0.8	Depreciation & amortisation	\$m	-6.2	-7.1	-7.5	-7.9	-8.1
....Growth	%	nm	-18%	24%	38%	17%	Statutory EBIT	\$m	2.4	1.4	3.6	4.9	5.7
Underlying PE	x	13.8	11.1	8.9	6.5	5.5	Underlying EBIT	\$m	3.8	3.3	3.6	4.9	5.7
Weighted average basic shares	m	513.1	532.9	562.1	590.9	603.2	Net interest	\$m	-0.5	-0.7	-0.8	-0.9	-0.9
Weighted average diluted shares	m	543.5	573.3	590.9	603.2	609.1	Non-operating income	\$m	0.0	0.0	0.0	0.0	0.0
Operating cash flow per share	¢	1.7	1.4	1.7	1.9	2.1	Pre-tax profit	\$m	2.0	0.6	2.9	4.0	4.8
Free cash flow per share	¢	0.6	-0.1	0.4	0.6	0.7	Tax expense	\$m	0.0	0.0	0.0	0.0	0.0
Price to free cash flow per share	x	11.3	nm	10.9	7.3	6.0	Reported NPAT	\$m	2.0	0.6	2.9	4.0	4.8
FCF yield	%	8.9%	-3.3%	9.2%	13.7%	16.6%	Adjustments to underlying	\$m	0.6	1.6	0.0	0.0	0.0
Dividend	¢	0.2	0.2	0.3	0.3	0.4	Underlying NPAT	\$m	2.6	2.2	2.9	4.0	4.8
Payout	%	42%	51%	51%	51%	51%	GROWTH PROFILE						
Yield	%	3.0%	4.7%	5.8%	7.9%	9.3%			FY25A	FY26A	FY27E	FY28E	FY29E
Franking	%	100%	100%	100%	100%	100%	Revenue growth	%	-4.6	4.9	4.5	7.3	3.0
Enterprise value (excl lease liabilities)	\$m	10.4	12.1	14.8	14.2	13.2	EBITDA growth	%	nm	2.9	8.3	14.5	7.6
EV/Sales	x	0.1	0.1	0.1	0.1	0.1	EBIT growth	%	nm	-43.9	165.8	34.7	15.2
EV/EBITDA (excl leases)	x	1.0	1.2	1.3	1.1	1.0	Underlying NPAT growth	%	nm	-14.0	27.8	41.1	18.2
EV/EBIT	x	4.2	8.8	4.1	2.9	2.3	Underlying EPS growth	%	nm	-18.4	24.0	38.2	17.1
Price to book (NAV)	x	1.3	0.9	0.9	0.9	0.9	DPS growth	%	nm	0.0	25.0	36.0	17.6
Price to NTA	x	1.4	1.0	1.1	1.1	1.1	BALANCE SHEET						
KEY RATIOS									FY25A	FY26A	FY27E	FY28E	FY29E
EBITDA margin (underlying)	%	10.3	10.1	10.5	11.2	11.7	Cash	\$m	16.6	13.3	12.4	13.7	15.1
EBIT margin (underlying)	%	3.9	3.2	3.4	4.3	4.8	Receivables	\$m	16.2	15.1	15.7	16.9	17.4
NPAT margin (underlying)	%	2.7	2.2	2.7	3.5	4.0	Other	\$m	6.7	9.0	9.0	9.1	9.2
Underlying ROE	%	9.9	8.2	10.1	13.8	15.7	Current assets	\$m	39.5	37.3	37.2	39.7	41.7
Underlying ROA	%	3.8	3.4	4.6	6.8	8.6	Property, plant & equip incl ROUA	\$m	22.8	20.3	13.8	8.7	3.4
Net tangible assets per share	¢	4.7	4.4	4.0	4.0	4.1	Goodwill and intangibles	\$m	2.0	3.7	6.0	5.6	5.3
Book value per share	¢	13.4	12.4	11.0	10.0	9.2	Other	\$m	4.4	4.8	4.8	4.8	4.8
Net debt/(net cash)	\$m	-12.9	-11.1	-10.3	-11.5	-12.9	Non current assets	\$m	29.2	28.9	24.6	19.2	13.6
Interest cover (EBIT / net interest)	x	4.8	1.9	4.6	5.5	6.3	Total assets	\$m	68.7	66.1	61.8	58.9	55.2
Gearing (net debt / EBITDA)	x	nm	nm	nm	nm	nm	Payables	\$m	10.4	12.0	12.6	13.5	13.9
Leverage (net debt / (net debt + equity))	x	nm	nm	nm	nm	nm	Borrowings	\$m	3.7	2.1	2.1	2.1	2.1
DUPONT ANALYSIS (on Underlying)							Other incl lease liabilities	\$m	28.4	24.8	18.9	14.1	8.9
Net Profit Margin	%	2.7	2.2	2.7	3.5	4.0	Total liabilities	\$m	42.6	38.9	33.6	29.7	25.0
Asset Turnover	x	1.4	1.5	1.7	1.9	2.1	Net assets	\$m	26.1	27.2	28.2	29.2	30.3
Return on Assets	%	3.8	3.4	4.6	6.8	8.6	Shareholder's equity	\$m	26.1	27.2	28.2	29.2	30.3
Financial Leverage	x	2.6	2.4	2.2	2.0	1.8	CASH FLOW						
Return on Equity	%	nm	8.2	10.1	13.8	15.7			FY25A	FY26A	FY27E	FY28E	FY29E
KEY PERFORMANCE INDICATORS							EBIT (Cashflow)	\$m	2.4	1.4	3.6	4.9	5.7
Secured Project Pipeline - Veris	\$m	55.0	65.0	67.0	69.0	71.0	Depreciation & Amortization	\$m	6.2	7.1	7.5	7.9	8.1
Growth	%	nm	18%	3%	3%	3%	Change in Net Operating Assets	\$m	-0.7	2.7	-0.1	-0.2	-0.1
Secured pipeline as months revenue	mth	6.8	7.6	7.5	7.2	7.2	Other items (incl interest)	\$m	1.3	-3.1	-0.8	-0.9	-0.9
Revenue - Veris	\$m	97.2	102.0	106.6	114.4	117.8	Net operating cash flow	\$m	9.2	8.1	10.3	11.7	12.8
Growth	%	nm	5%	5%	7%	3%	Capital expenditure (PPE)	\$m	-1.0	-3.6	-2.5	-2.5	-2.5
							Lease liability repayment		-5.7	-5.9	-6.2	-6.5	-6.8
							Acquisitions/divestment/other	\$m	-0.6	-2.0	-1.3	0.0	0.0
							Investing cash flow	\$m	-7.3	-11.5	-10.0	-9.0	-9.3
							Equity	\$m	0.0	0.0	0.0	0.0	0.0
							Net Increase / (decrease) in loans	\$m	-1.2	1.0	0.0	0.0	0.0
							Dividend/other incl buybacks	\$m	-0.2	-1.0	-1.1	-1.5	-2.0
							Financing cash flow	\$m	-1.4	0.1	-1.1	-1.5	-2.0
							Net cash flow	\$m	0.5	-3.4	-0.8	1.2	1.4
							FCF (OCF + capex + lease payment)	\$m	2.5	-1.4	1.6	2.7	3.5

Source: Company data; MST Access

Aurecon deal: three year national partnership

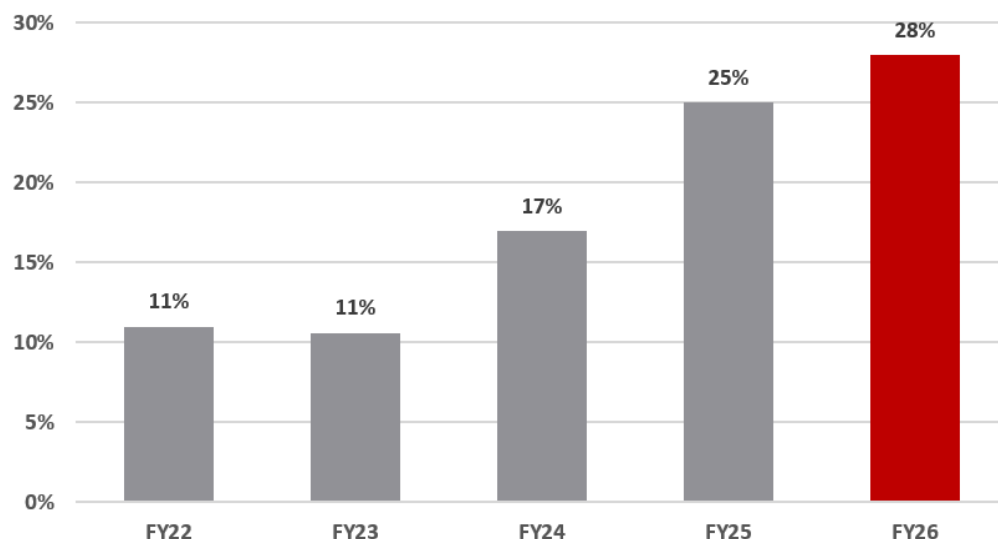
Veris has entered into a three year national partnership agreement with Aurecon in Australia, further strengthening an existing relationship with the group. The acquisition brings across Aurecon's domestic survey and spatial data collection capability (~30 survey and spatial data professionals, increasing Veris' existing survey/data capture workforce by ~10%), an existing book of ongoing projects, pipeline of opportunities and associated operational assets. The partnership secures Veris as Aurecon's exclusive, preferred survey partner nationally.

As part of the deal, Veris is guaranteed first-year revenue of \$4.5m at a minimum which is underpinned by Aurecon's ongoing project contracts. Beyond the first year, management expect there to be an annual revenue opportunity of ~\$6-7m as further Aurecon projects are progressed across aligned services and geographies. We see these stated estimates as conservative given Veris' track record of successfully integrating acquired business and embedding them into the group.

The team of ~30 survey and spatial data collection professionals that will transfer to Veris are primarily based in Brisbane, Sydney, Newcastle and Melbourne, servicing Aurecon's Water, Defence, Energy and broader Infrastructure markets. Under the agreement, Veris will have national exclusivity and first right of refusal on all survey and related digital data capture services Aurecon delivers on Australian projects.

Total consideration paid for the deal is \$2.5m, which includes the assumption of ~\$1.2m in employee leave entitlements (effectively means upfront payment is only ~\$1.3m). There are no earn-out or milestone payments, and the deal is funded from existing cash reserves and operating cash flows. Veris' strong balance sheet has long been a hallmark of the group as management have capitalised on its strong funding to help secure improved operational arrangements, including better lease rates, while also being selective with opportunistic deals that add scale or enhance its capabilities, particularly in digital spatial data services. Completion is expected in early November 2026 (subject to standard caveats and procedures), and management expects the deal to be earnings accretive in FY27. We expect this to be aided by the fact the additional revenues are not expected to add much if anything to corporate expenses or overheads, leading to additional operating leverage from the additional revenues generated.

Figure 2: Increasing Digital & Spatial revenue % share



Source: Veris

Strategic rationale: further penetration into structural growth sectors

We view this transaction as a strong strategic fit, particularly given water, defence and energy are key sources of structural, multi-year demand where Veris has already been growing its share of earnings. The Aurecon partnership accelerates Veris growth in these areas, giving it a structured channel into one of Australia's leading engineering consultancies and, through it, a client base of government agencies, major infrastructure owners and tier-one delivery partners.

- **High quality, repeat revenue:** The agreement fits Veris' strategy of servicing premium clients on a repeat basis. Rather than competing project by project, Veris now has first right of refusal across Aurecon's national survey requirements for three years. Pre-agreed commercial terms should also reduce bid costs and support disciplined project selection and margins.
- **Cross-sell into digital:** We see meaningful upside in Veris layering its digital and spatial (D&S) offering onto Aurecon survey work. Survey is the entry point for data capture; Veris' proprietary platforms (e.g. Photo Navigator, RoadSiDe, BridgeSiDe) and data hosting can extend engagements into recurring, higher-margin services. This mirrors the flywheel that has lifted D&S to more than 28% of group revenue.
- **National scale:** The transferring team is largely located in Brisbane, Sydney, Newcastle and Melbourne, adding delivery capacity across major domestic markets. A strong pipeline of work in large infrastructure projects will help diversify Veris further providing some protection against previously reported softening in some property-related markets (including Victoria).
- **Capital-light and pre-funded:** Given the modest upfront cash outlay, the deal is capital-light and comes with secured work from the outset. Transferring employees are immediately revenue generative with less reliance on a ramp-up period, although we do expect contributions from the Aurecon partnership to grow materially over time.

Deal economics: attractive entry multiples

At ~0.6x first-year revenue, we believe the deal is attractively priced given the pipeline of secured, tier-1 related works. Of the \$2.5m consideration, ~\$1.2m is the assumption of employee leave entitlements, which will be paid out over time as leave is taken rather than upfront. The net cash outlay of ~\$1.3m represents ~10% of its 30 June cash balance, leaving pro forma cash of ~\$12.0m.

We assume an EBITDA % margin of mid-teens on the acquired work, modestly above the group's FY26 underlying margin of 10.1%. This reflects pre-agreed rates, lower business development costs and cross-sell potential, partly offset by integration costs. On that basis, the deal is struck at ~4.6x first-year EBITDA, falling to ~3.2x on the \$6-7m run-rate.

Contract extension supports already strong sales pipeline

Veris has secured a \$4.12m contract extension on the Sydney Metro - Western Sydney Airport SSTOM project, extending its involvement through to end-CY27. The award builds on Veris' existing relationship with Parklife Metro, with the engagement in place since Nov-23, and provides further revenue visibility while reinforcing the company's ability to convert successful project delivery into repeat work.

Long term strategy remains heavily focused on high quality digital...

Veris' strategic priorities cover five key areas:

- **Digital point of difference:** Deploying digital tooling and AI-enabled platforms across the professional services base, with the aim of improving delivery speed, scalability and margin on client work. The cross sell can work both ways with advisory mandates creating entry points for digital solutions, while platform relationships open up deeper advisory work opportunities.
- **Anchored in spatial data:** Leveraging the group's established domain expertise and spatial data assets as the foundation for higher-value insight and analytics products. The Spatial Vision and Mesh integrations have supported this, adding digital advisory capability and extending the group's footprint across government and east-coast markets involving infrastructure, transport and utility assets. Digital Solutions (including customised app development) are being deployed at greater scale on client projects, substituting AI and automation-led delivery for manual workflows.
- **Value-driven pricing:** Transitioning away from commoditised, volume-based pricing toward value-based models aligned to the outcomes delivered rather than hours worked. The outcome from its digital offering focused on spatial data is that its revenue mix becomes increasingly weighted toward recurring, higher-margin, advisory-led engagements.
- **Revenue diversification:** Extending beyond the traditional survey base into consulting, advisory and digital solutions to build new, higher-margin revenue streams. For government related policy mandates, digitalisation strategies are providing significant opportunity.
- **Capital discipline:** Maintaining balance sheet strength while pursuing accretive M&A, alongside shareholder returns via the on-market buy-back and a history of dividend payments.

...with recent contract highlights demonstrating continued strong delivery

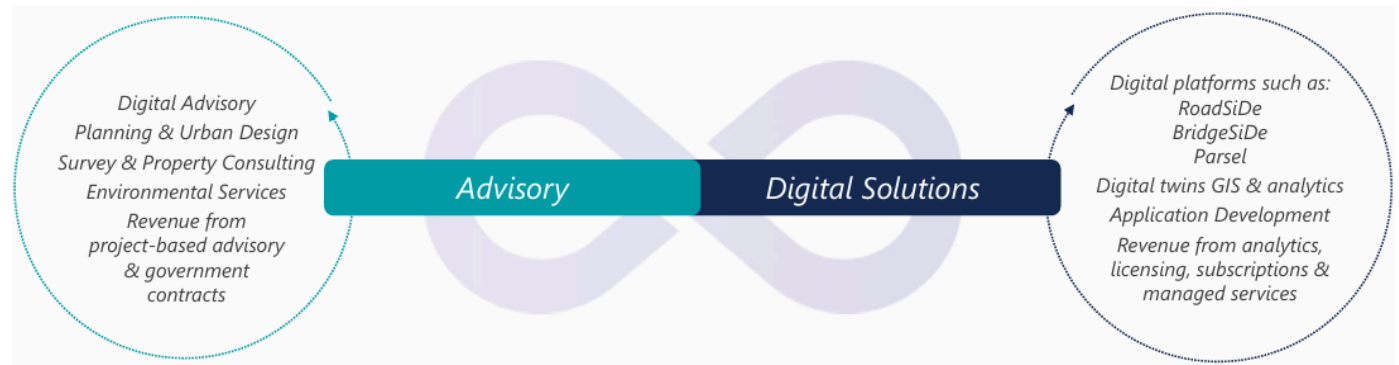
Recent contracted works demonstrate the strategy in practice and span multiple states, are primarily delivered via Veris' proprietary platforms and are largely structured for repeat engagement through ongoing data hosting and analytics, leading to higher margins and additional recurring revenue.

- **Dilapidation survey for a major port authority:** Photo Navigator deployed for visual condition assessment alongside 360° reality capture with spatial referencing and AI-assisted analysis; outputs now embedded in asset handover and ongoing asset management workflows. Dilapidation reporting was also carried out for a stadium precinct construction.
- **Automated engineering inspections, major transport program:** Photo Navigator supported Level 1 engineering inspections, processing >30,000 images with AI-generated descriptions and producing >150 automated inspection reports; material productivity and safety gains from reduced site access, and a scalable model for major programs.
- **Queensland Fishing platform:** redesigned government digital platform simplifying regulatory compliance via a mobile-first interface, incorporating AI and location intelligence for real-time decision-making plus live updates, notifications and reporting.
- **Road safety workflow automation:** Spatial Vision secured a \$300k, four-month contract automating manual processes for a government road safety enforcement initiative, improving data integrity, processing visibility and vendor collaboration.
- **Rail condition intelligence for John Holland Group:** 3D GPR, LiDAR and digital data hosting across a major metro network over six months.
- **Road condition assessment** across ~500km of WA sealed roads.
- **Gas pipeline survey** supporting pipeline design for a major energy client.
- **Suburban Rail Loop East:** ~\$16-20m over ~3.5 years for the Tunnels North package (~10km twin tunnels, Glen Waverley to Box Hill) involving engineering survey, spatial data management and digital spatial support for tunneling and station excavation.
- **Western Sydney Airport SSTOM:** \$5.2m contract completed (engineering surveys, asset monitoring, cadastral services), positioning Veris for potential O&M works over a horizon of up to 15 years. As mentioned, awarded a \$4.12m contract extension through to end-CY27.
- **Two additional work orders under the existing Digital Twin Victoria (DTV)** Innovation Partner contract with Victoria's DTP (initially secured March 2024, Veris leading a 10-member consortium): DTP application migration into the DTV environment, and an identity management system upgrade for broad government user access. Provides evidence of the repeat-engagement model converting a strategic partnership into recurring work-order revenue with a tier-1 government client.

Recap: An industry leader in digital spatial data services

Veris continues to evolve from a predominantly survey-led operating model into a more profitable digital and spatial analytics-enabled advisory firm. The transformation centres on leveraging Veris' deep spatial data expertise to deliver differentiated, value-based solutions rather than labour-intensive, commoditised services. The strategy emphasises a digital-first approach across projects, the development and commercialisation of proprietary cloud-based platforms (now developed seven AI-enabled platforms over the past three years that are delivering commercial outcomes and recurring revenues), and the continued expansion of higher-margin consulting and advisory services. Veris is seeking to convert its data capture strengths into scalable insights, asset intelligence and managed analytics that command more premium pricing and deliver more recurring style revenue.

Figure 3: Cross selling opportunities with customised solutions create recurring revenues with higher margins



Source: Veris

A key driver of growth is the interplay between digital capabilities and advisory roles. As Veris moves upstream into planning, design and regulatory approvals, it gains early access to asset information that forms the foundation for digital products such as RoadSiDe and BridgeSiDe (with Parsel being added to this mix). These platforms enable clients to monitor, assess and plan infrastructure more efficiently, and they also create recurring licence and hosting fees. In turn, platform adoption opens opportunities for follow-on consulting work. This flywheel increases client stickiness and improves revenue quality, supporting a deliberate shift from transactional engagements to longer-term, data-anchored relationships.

Veris is reshaping its revenue model to reduce dependency on consulting hours and increase exposure to products and managed services that scale more efficiently. Surveying will remain a core competency and key entry point for data generation, but its role transitions from a standalone revenue stream to an enabler of digital asset intelligence. The business has begun to demonstrate margin benefits from this shift, with digital and spatial solutions now contributing >28% of revenue, up from 17% in FY24. In turn we believe the increasing quality of Veris' earning base reduces its volatility and should help justify a valuation premium for the business, particularly when compared to peers. The group's recent performance, despite macro headwinds mentioned above, is testament to the higher quality earnings base.

Overall, Veris has laid the foundation for a higher-return business model, with emphasis on platform commercialisation, margin expansion and scalable digital growth. Management's execution focus now shifts to accelerating product rollout, deepening cross-sell penetration and lifting recurring revenue as a share of the mix. With Veris' digital offering now clearly proven in the market place, we believe the transition still has plenty of scope to evolve further, underpinning stronger margins and a more resilient earnings profile longer term.

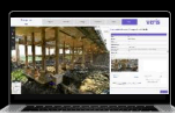
Figure 4: Veris continues to diversify earnings in the advisory and digital solutions space

Advisory	Digital Solutions
Digital Advisory	Digital platforms (RoadSiDe, BridgeSiDe, Parsel)
Planning & Urban Design	Digital twins and spatial analytics
Property Consulting	Application and platform development
Environmental Services	Subscriptions and licensing revenue
Government and project-based advisory contracts	Managed services and data hosting revenues

Source: Veris

Consistently strong orderbook with higher quality mix involving digital

Figure 5: Suite of proprietary cloud-based, AI enabled digital platforms that enable visualisation and analysis of spatial data; below excludes recently added Parsel which calculates infrastructure levies and provides scenario comparisons

Vantage a Veris platform	RoadSiDe a Veris platform	DigitalUrbanism a Veris platform	DigitalTwin a Veris platform	BridgeSiDe a Veris platform	PhotoNavigator a Veris platform
					
Greenfields Live Updates and Document Repository	Virtual Asset Condition Assessment for Roads	Rapid 3D Optioneering for Master Planning Visualisation	A Connected Digital Replica of a Physical Asset	Virtual Asset Inspections for Bridges and Infrastructure	Interactive, Automated AI Driven Dilapidation Reports

Source: Veris

Veris' pipeline remains weighted toward larger, multi-disciplinary and higher-value engagements, spanning digital solutions, advisory-led services and repeatable delivery models. With the Spatial Vision and Mesh integrations complete and the Octave partnership contributing a new recurring revenue channel, management sees the group positioned to continue converting pipeline into delivered revenue while holding cost and capital discipline.

The secured forward workload now exceeds A\$60m (up from A\$55m YoY). The mix of this forward workload has continued to evolve as management prioritises projects that are higher value and margin supportive (including those that leverage Veris' digital capabilities) and/or support the key national client strategy. **The forward pipeline over next two years also has a weighted value of A\$195m over the next 24 months.**

The forward looking client base remains spread across six industry verticals: Transport, Property & Buildings, Government, Utilities, Defence and Energy & Resources. Each offers a combination of market scale and forecast growth in advisory and consulting services over the medium to long term. This sector diversification, together with established tier-1 government and corporate relationships in each vertical, underpins management's confidence in the durability and scale of the longer-term growth opportunity.

Beyond the existing pipeline, management estimates the current market opportunity for Veris exceeds A\$1bn (vs Veris current ~\$100m revenue base) and continues to increase at high single digit/low double digit growth rates, providing opportunity for further market share gains in digital, spatial and consulting/advisory services. Principal sources of structural, multi-year investment demand noted by management include:

- **Data centres:** Australia ranks among the leading global destinations for data centre investment. Site understanding ahead of capital commitment is critical to project outcomes, and Veris positions its planning and design alignment, bringing survey, environmental and utility data together before delivery begins.
- **Renewables:** Transmission and generation build-out is driving sustained, network-wide demand. These programs are large and complex, and depend on reliable data from the earliest stages, giving Veris a role at planning and design in informing route and site decisions ahead of construction.
- **Water:** Utilities are running significant capital pipelines to upgrade existing assets and build new ones, alongside growing compliance and performance requirements including flood and asset modelling. Veris offers end-to-end capability from data capture through to advisory.
- **Defence:** AUKUS and related national programs are driving sustained defence infrastructure investment, with demand for accurate spatial data and secure digital delivery. Veris' multidisciplinary capability is positioned to support this at scale.

Key forecast changes

The majority of our forecasts and assumptions remain unchanged, with our key forecast revisions presented below. Consistent with Veris' assessment that the transaction is expected to be earnings accretive in FY27, we incorporate the revenue contribution from completion in FY27, with the remaining first-year contribution reflected in FY28 and the business modelled on a go-forward basis thereafter. We assume negligible incremental D&A and apply a mid-teens EBITDA margin to the acquired revenue, supported by the strategic partnering. We also adjust the balance sheet and cash flow statement to reflect the announced transaction terms.

Figure 6: Key forecast changes incorporating the Aurecon deal

Veris \$m	MSTe Previous			MSTe Current			Change		
	FY27e	FY28e	FY29e	FY27e	FY28e	FY29e	FY27e	FY28e	FY29e
Revenue	104.0	107.1	110.4	106.6	114.4	117.8	+2.5%	+6.8%	+6.8%
Underlying EBITDA	10.9	11.8	12.7	11.2	12.8	13.8	+2.5%	+8.7%	+8.6%
Underlying EBITDA Margin %	10.5%	11.0%	11.5%	10.5%	11.2%	11.7%	0bps	+20bps	+20bps
Underlying EBIT	3.4	4.0	4.7	3.6	4.9	5.7	+8.3%	+22.4%	+20.8%
Underlying EBIT Margin %	3.2%	3.7%	4.2%	3.4%	4.3%	4.8%	+18bps	+55bps	+56bps
Underlying PBT	2.6	3.2	3.8	2.9	4.0	4.8	+10.9%	+27.0%	+25.2%
Underlying PBT Margin %	2.5%	3.0%	3.4%	2.7%	3.5%	4.0%	+20bps	+56bps	+59bps
Underlying EPS (diluted)	0.4	0.5	0.6	0.5	0.7	0.8	+10.9%	+27.0%	+25.2%

Source: MSTe

DCF valuation of \$0.24/share provides ~4.0x upside

We have increased our base case DCF valuation to \$0.24/share (from \$0.23/share previously), reflecting the accretive impact of the acquisition while leaving our broader underlying forecasts unchanged.

We continue to forecast organic revenue growth of 2.0% in FY27 and 3.0% in FY28 for the group, with 3.0% growth maintained thereafter. We also incorporate a partial contribution from Aurecon in FY27 and a full-year contribution from FY28. Reflecting the higher-margin nature of the acquired work, we upwardly revise the group's underlying EBITDA margin in our forecast period. This supports management's continued focus on improving the quality of the sales mix to drive margin expansion.

Our underlying EBITDA margin forecast increases to 11.2% in FY28 (from 11.0% previously) and expands progressively to 13.2% by FY32 (from 13.0% previously). We see potential upside to our margin assumptions as higher-margin digital spatial data revenues continue to increase as a share of group revenue, currently representing more than 28%. Over time, we expect this mix to move towards a more balanced contribution of ~50%.

Our DCF valuation assumes a WACC of 10.0% (beta of 1.2x, risk free rate of 4.5%, market risk premium of 5.5%) and a terminal growth rate of 2.5%. We assume a fully diluted share count of 609.1m shares, which includes options and performance rights.

Figure 7: Discounted cashflow valuation

DCF		FY22a	FY23a	FY24a	FY25a	FY26a	FY27e	FY28e	FY29e	FY30e	FY31e	FY32e
EBIT	\$m	-0.6	1.8	-3.9	2.4	1.4	3.6	4.9	5.7	6.4	7.3	8.1
Less: Taxes	\$m	0.0	0.0	-0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2.2
Post-tax EBIT	\$m	-0.6	1.8	-4.1	2.4	1.4	3.6	4.9	5.7	6.4	7.3	6.0
Plus: D&A	\$m	8.7	8.0	7.9	6.2	7.1	7.5	7.9	8.1	8.4	8.6	8.9
Post-tax cash flow	\$m	8.2	9.8	3.8	8.7	8.4	11.2	12.8	13.8	14.8	15.9	14.9
Less: Net capex	\$m	-2.4	-3.5	-1.9	-1.0	-3.0	-2.5	-2.5	-2.5	-2.5	-2.5	-2.5
Less: Change in WC	\$m	-4.6	-0.6	1.8	-0.7	2.7	-0.1	-0.2	-0.1	-0.1	-0.1	-0.1
Free cash flow	\$m	1.2	5.7	3.7	7.0	8.2	8.6	10.1	11.2	12.2	13.3	12.3
Discounted cash flow	\$m	1.8	7.8	4.6	7.9	8.4	8.0	8.6	8.6	8.6	8.5	7.1
Sum of discount streams	\$m	49.3	CAPM									
Terminal growth		2.5%	Risk free rate									
Future value into perpetuity	\$m	167.5	Equity beta									
NPV of terminal value	\$m	97.1	Equity risk premium									
PV of cash flows	\$m	146.3	Cost of equity									
Add: net cash (incl. lease liabilities)	\$m	-3.1	Debt									
Equity value	\$m	143.2	Equity									
Fully Diluted shares		609.1	Interest rate									
Value per share (A\$)	\$	0.24	Tax rate									
Potential upside		453%	WACC									

Source: MST Access

Peer comps reinforce the value case for Veris

We reiterate the value case for Veris when looking at other small cap peers, including Asset Vision, Pointerra and Aerometrex. We note that Veris trades at a significant discount despite its improving revenue quality, profitability (lack of profitability from other close peers makes direct valuation comparison challenging) and strong balance sheet (\$13.3m cash on hand reported at 30 June 2026), characteristics that others do not possess or hold to the same degree. At current market prices, Veris currently only trades at an EV/EBITDA FY26 multiple of ~3.2x (including lease liabilities). This is despite all listed comparables facing the equally challenging macroeconomic headwinds.

Post-acquisition, we forecast FY27 underlying EBITDA of \$11.2m, up from \$10.9m previously, increasing to \$12.8m in FY28 once the full Aurecon contribution is reflected, versus \$11.8m previously. Against a backdrop of macro headwinds, Veris continues to demonstrate resilience through ongoing margin expansion, improving revenue quality and disciplined capital deployment. In our view, these characteristics support a compelling value proposition relative to its listed peer group.

Figure 8: Peer comps reiterate value case for Veris

Comparables		EV/Rev multiple	Rev	Rev	EBITDA	EBIT	EV/EBITDA	Current
		FY26a	FY25(a)	FY26(a)	FY26	FY26	Multiple FY26	EV
Veris	VRS-AU	0.3	97.2	102.0	10.3	3.3	3.2	33.5
Asset Vision	ASV-AU	4.1	5.0	6.7	-0.6	-1.0	-43.1	27.2
Pointerra	3DP-AU	2.9	9.8	7.5	-3.5	-3.6	-6.2	21.6
Aerometrex	AMX-AU	1.3	23.9	26.8	7.7	-2.1	4.4	33.7
SRG Global	SRG-AU	1.6	1,323.3	1,675.5	163.6	111.2	16.0	2,615.9
Downer EDI	DOW-AU	0.6	10,472.1	9,699.9	680.8	398.9	9.0	6,138.2
Average EV/EBITDA Multiple		2.1					9.8	
								Projected EV 26'
Veris EV (FY26 average multiple x actual ebitda)		9.8			10.3			101.2
Add: net cash								-3.1
Equity value								98.1
Shares on issue								609.1
Equity value per share								\$0.16

Source: Factset; MST Access

Key Risks

- Project delivery risk that could follow delays and cost blow outs arising from resource challenges.
- Risks associated with potential safety hazards attached to the work and delivery of projects by Veris employees and subcontractors. Veris has a wide range of protocols and programs to mitigate this risk.
- Contract risk that may include legal issues around omissions, incorrect rates and quantities, accepting unfavourable contractual terms, or disputes about contractual terms.
- Commodity and/or resources industry cycle risk, with a downturn or volatility in commodity prices and the resource cycle impacting demand for mining services such as surveying or remote site infrastructure.
- Political risk given both businesses serve clients in the public service through government and defence funding. Veris can also be impacted by major public infrastructure project delays determined by state governments.
- Competitive risk that could follow a competitor undertaking a price-led attack to win market share.
- Employee risk including the sourcing of subcontractors. Difficulty hiring these employees could delay projects and increase costs to Veris.
- Technology risk and cyber security events through loss of data or IT systems.

Personal disclosures

Andrew Johnston received assistance from the subject company or companies in preparing this research report. The company provided them with communication with senior management and information on the company and industry. As part of due diligence, they have independently and critically reviewed the assistance and information provided by the company to form the opinions expressed in this report. They have taken care to maintain honest and fair objectivity in writing this report and making the recommendation. Where MST Financial Services or its affiliates has been commissioned to prepare content and receives fees for its preparation, please note that NO part of the fee, compensation or employee remuneration paid has, or will, directly or indirectly impact the content provided in this report.

Company disclosures

The companies and securities mentioned in this report, include:

Veris (VRS.AX) | Price A\$0.043 | Valuation A\$0.240;

Price, target price and rating as at 12 October 2026 (* not covered)

Additional disclosures

This report has been prepared and issued by the named analyst of MST Access in consideration of a fee payable by: Veris (VRS.AX)

Other disclosures, disclaimers and certificates

Methodology & Disclosures

MST Access is a registered business name of MST Financial Services Limited (ABN 54 617 475 180 "MST Financial Services"), which is a limited liability company incorporated in Australia on 10 April 2017 and holds an Australian Financial Services Licence (AFSL 500 557). This research is issued in Australia through MST Access, which is the research division of MST Financial Services. The research and any access to it, is intended only for "wholesale clients" within the meaning of the Corporations Act 2001 of Australia. Any advice given by MST Access is general advice only and does not take into account your personal circumstances, needs or objectives. You should, before acting on this advice, consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. If our advice relates to the acquisition, or possible acquisition, of a financial product you should read any relevant Product Disclosure Statement or like instrument.

ECM and corporate advisory services: MST Financial Services provides equity capital markets ("ECM") and corporate advisory services through its capital markets division, MST Capital Markets ("MST Capital"). MST Capital provides these services to a range of companies including clients of MST Access. As such, MST Capital may in the future provide ECM and/or corporate advisory services and, accordingly, may receive fees from providing such services. However, MST Financial Services has measures in place to ensure the independence of its research division is maintained, including information barriers between its Capital Markets and Research teams. In addition, neither MST Access, nor any of its research analysts, receive any financial benefit that is based on the revenues generated by MST Capital or any other division of MST Financial Services.

Accuracy of content: All information used in the publication of this report has been compiled from publicly available sources that are believed to be reliable, however we do not guarantee the accuracy or completeness of this report and have not sought for this information to be independently certified. Opinions contained in this report represent those of MST Access at the time of publication. Forward-looking information or statements in this report contain information that is based on assumptions, forecasts of future results and estimates of amounts not yet determinable, and therefore involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of their subject matter to be materially different from current expectations.

Exclusion of liability: To the fullest extent allowed by law, MST Access shall not be liable for any direct, indirect or consequential losses, loss of profits, damages, costs or expenses incurred or suffered by you arising out of or in connection with the access to, use of or reliance on any information contained in this report. No guarantees or warranties regarding accuracy, completeness or fitness for purpose are provided by MST Access, and under no circumstances will any of MST Financial Services' officers, representatives, associates or agents be liable for any loss or damage, whether direct, incidental or consequential, caused by reliance on or use of the content.

General Advice Warning

MST Access Research may not be construed as personal advice or recommendation. MST Access encourages investors to seek independent financial advice regarding the suitability of investments for their individual circumstances and recommends that investments be independently evaluated. Investments involve risks and the value of any investment or income may go down as well as up. Investors may not get back the full amount invested. Past performance is not indicative of future performance. Estimates of future performance are based on assumptions that may not be realised. If provided, and unless otherwise stated, the closing price provided is that of the primary exchange for the issuer's securities or investments. The information contained within MST Access Research is published solely for information purposes and is not a solicitation or offer to buy or sell any financial instrument or participate in any trading or investment strategy. Analysis contained within MST Access Research publications is based upon publicly available information and may include numerous assumptions. Investors should be aware that different assumptions can and do result in materially different results.

MST Access Research is distributed only as may be permitted by law. It is not intended for distribution or use by any person or entity located in a jurisdiction where distribution, publication, availability or use would be prohibited. MST makes no claim that MST Access Research content may be lawfully viewed or accessed outside of Australia. Access to MST Access Research content may not be legal for certain persons and in certain jurisdictions. If you access this service or content from outside of Australia, you are responsible for compliance with the laws of your jurisdiction and/or the jurisdiction of the third party receiving such content. MST Access Research is provided to our clients through our proprietary research portal and distributed electronically by MST Financial Services to its MST Access clients. Some MST Access Research products may also be made available to its clients via third party vendors or distributed through alternative electronic means as a convenience. Such alternative distribution methods are at MST Financial Services' discretion.

Access & Use

Any access to or use of MST Access Research is subject to the [Terms and Conditions](#) of MST Access Research. By accessing or using MST Access Research you hereby agree to be bound by our Terms and Conditions and hereby consent to MST Financial Services collecting and using your personal data (including cookies) in accordance with our [Privacy Policy](#), including for the purpose of a) setting your preferences and b) collecting readership data so we may deliver an improved and personalised service to you. If you do not agree to our Terms and Conditions and/or if you do not wish to consent to MST Financial Services' use of your personal data, please do not access this service.

Copyright of the information contained within MST Access Research (including trademarks and service marks) are the property of their respective owners. MST Access Research, video interviews and other materials, or any portion thereof, may not be reprinted, reproduced, sold or redistributed without the prior written consent of MST Financial Services.

No part of this report or its contents may be used, directly or indirectly, in connection with any artificial intelligence, machine learning, large language model, or other automated processing system without the prior written consent of MST Financial Services Pty Ltd.