

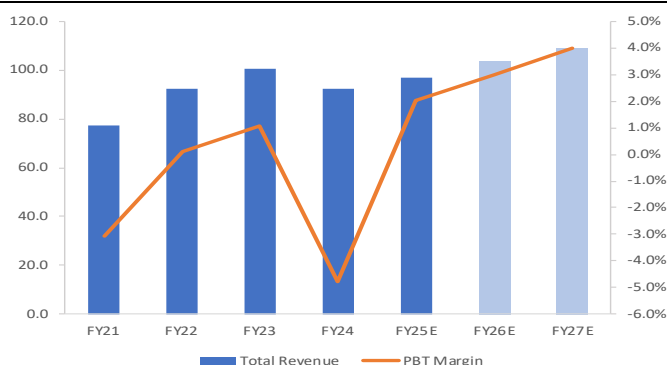
Veris Limited

Unlocking Value: Shift to Digital and Spatial Consulting

Veris is emerging from a multi-year turnaround with a stronger balance sheet, a sharpened operational focus and growing exposure to high-margin digital services revenue. Diversified across transport, property, government, utilities, defence, and resources, the company is positioned to benefit from sustained infrastructure investment and the industries accelerating shift toward digital surveying and spatial data solutions. Margin recovery is already underway, supported by improved revenue mix and cost discipline - improving PBT margins from -4.8% in FY24 to 4.0% in FY27E (Figure 1). We initiate coverage with a fair value of \$0.15 per share, >100% upside.

- **Digital shift driving earnings growth:** A strategic shift, moving from operating as a traditional surveying business to a fully integrated digital and spatial data advisory and consulting firm is delivering sustainable earnings growth. We anticipate management to continue to pursue focussed revenue growth, prioritising high-margin large-scale contracts whilst maintaining disciplined cost management. This is driving forecast average EBITDA growth of ~10% p.a. on modest ~6% revenue growth through to FY27.
- **Strong balance sheet gives optionality:** A net cash balance of \$13.1m at FY25 (ex. leases) provides capacity for margin-accretive acquisitions and potential capital returns. In addition to M&A upside to our base case, management has flagged the potential resumption of dividends and continuation of the share buy-back program, supporting strong shareholder returns.
- **Fair value of \$0.15 per share:** Our DCF derived fair value of \$0.15 per share puts the stock on an EV/EBITDA multiple of 5.3x in FY27, a discount to domestic engineering peers, and with higher earnings growth.

Figure 1. Total Revenue (\$m, LHS) vs. PBT Margin (% , RHS)



Source: Company data, Veritas estimates.

Risks – include (but are not limited to): competition risk, customer concentration risk, project pipeline dependency, cyclicality of infrastructure investment, acquisition risk, talent retention & labour cost risk, technology disruption & AI risk, cyber security risk, contract execution risk, regulatory risk and failure to execute business strategy and growth objectives.

VRS.ASX
BUY

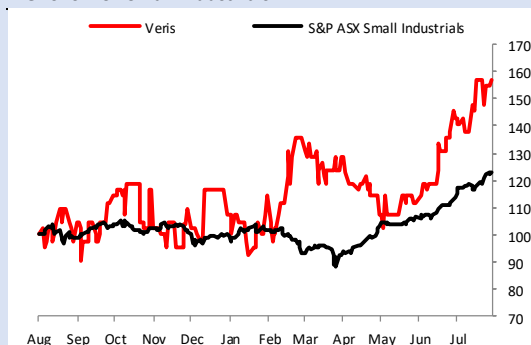
Tuesday 19 August 2025

Share Price \$0.067
 Price Target \$0.15
 Valuation Method DCF

Market capitalisation \$34.7m
 Enterprise value \$21.6m
 GICS sector Data Processing Services
 12 month price range \$0.038 - \$0.070
 Average monthly t/o 7.1m
 Shares in issue 517.7m
 Top 20 holders 316.0m
 Previous rating Initiate

Year ended June 30		FY24	FY25E	FY26E	FY27E
Revenue	\$m	92.6	97.2	104.0	109.2
Growth	%	(8.2)	5.0	7.0	5.0
EBITDA	\$m	5.5	10.0	11.2	12.2
Margin	%	6.0	10.3	10.7	11.2
NPAT	\$m	(4.7)	2.0	3.1	4.4
EPS	cps	(0.9)	0.4	0.6	0.8
CFPS	cps	1.5	1.5	2.0	2.4
DPS	cps	0.0	0.0	0.0	0.0
PER	x	N/A	17.2	11.1	8.0
EV/Revenue	x	0.2	0.2	0.2	0.2
EV/EBITDA	x	3.9	2.2	1.9	1.8
EV/EBIT	x	N/A	8.5	5.9	4.6
Net Cash/(Debt)	\$m	11.2	13.1	17.5	23.8

Veris vs. ASX Small Industrials



Source: FactSet, Veritas

Veris is a leading Australian digital and spatial data advisory and consulting firm, delivering end-to-end services to both Tier 1 private companies and government clients. The company operates from more than 15 offices nationwide, with c500 employees.

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Veris Limited

Financial Performance (A\$m)

Year ended June 30	FY24	FY25E	FY26E	FY27E
Total Revenue	92.6	97.2	104.0	109.2
Operating costs	(87.1)	(87.2)	(92.8)	(97.0)
EBITDA	5.5	10.0	11.2	12.2
Depreciation and amortisation	(9.4)	(7.5)	(7.5)	(7.5)
EBIT	(3.9)	2.6	3.7	4.7
Net interest	(0.6)	(0.6)	(0.6)	(0.4)
Pre-tax Profit	(4.4)	2.0	3.1	4.4
Tax	(0.3)	0.0	0.0	0.0
One off items (post-tax)	0.0	0.0	0.0	0.0
Reported profit to holders	(4.7)	2.0	3.1	4.4

Cash Flow Statement (A\$m)

Year ended June 30	FY24	FY25E	FY26E	FY27E
EBITDA	5.5	10.0	11.2	12.2
Cash net interest	(0.6)	(0.6)	(0.6)	(0.4)
Cash tax (paid)/received	(0.3)	0.0	0.0	0.0
Working capital/other	3.0	(1.9)	(0.2)	0.7
Operating Cash Flow	7.7	7.6	10.5	12.6
Capex	(2.0)	(0.7)	(2.1)	(2.3)
Free Cash Flow	5.7	6.9	8.4	10.3
Equity raised	0.0	0.0	0.0	0.0
Net borrowings	(1.1)	(1.4)	(1.5)	(1.5)
Repayment of lease liabilities	(5.8)	(4.9)	(4.0)	(4.0)
Dividends	(0.7)	0.0	0.0	0.0
Other	0.7	(0.1)	0.0	0.0
Net increase/(decrease) cash	(1.2)	0.5	2.9	4.9
Cash at beginning	17.3	16.1	16.6	19.5
Cash at end	16.1	16.6	19.5	24.4

Balance Sheet (A\$m)

Year ended June 30	FY24	FY25E	FY26E	FY27E
Cash	16.1	16.6	19.5	24.4
Receivables	14.6	13.9	14.5	14.7
Other assets	6.0	4.8	4.8	4.8
Current Assets	36.8	35.3	38.9	43.8
Property, Plant & Equipment	8.8	6.6	5.6	4.2
Intangibles	0.2	0.1	0.1	0.4
Right-of-use Assets	12.8	10.8	10.4	10.3
Other Non Current Assets	3.8	3.8	3.8	3.8
Non Current Assets	25.7	21.3	19.9	18.6
Total Assets	62.4	56.7	58.7	62.4
Payables	9.5	4.4	4.8	5.7
Lease Liabilities	15.9	13.6	13.6	13.6
Employee Benefits	7.8	8.8	8.8	8.8
Borrowings	5.0	3.5	2.0	0.5
Other Liabilities	1.2	1.1	1.1	1.1
Total Liabilities	39.4	31.6	30.5	29.8
Shareholder Funds	23.0	25.1	28.2	32.6

Directors and Key Management Personnel	Position	Shares	Holding
Karl Paganin	Chairman	19.5m	3.8%
David Murray	NED	4.0m	0.8%
Brian Elton	NED	39.7m	7.7%
Jason Waller	NED	0.0m	0.0%
Michael Shirley	MD & CEO	4.6m	0.9%
Steven Harding	CFO	1.3m	0.3%

Source: Company data, Veritas Research

Share Price: \$0.067 ps

Valuation: \$0.15 ps

Valuation Metrics

	Valuation
Price Target (ps)	\$0.15 126%
Share Price (ps)	\$0.067
FY26 EV/EBITDA (x)	1.9
Implied FY26 EV/EBITDA (x)	5.8 201%
Implied FY27 EV/EBITDA (x)	5.3 176%
Market Capitalisation (A\$m)	34.7
Enterprise Value (A\$m)	21.6
Share count (m)	518

Valuation Multiples

Year ended June	FY24	FY25E	FY26E	FY27E
P/E (x)	N/A	17.2	11.1	8.0
Price/Cash Flow (x)	4.5	4.6	3.3	2.8
EV/Revenue (x)	0.2	0.2	0.2	0.2
EV/EBITDA (x)	3.9	2.2	1.9	1.8
EV/EBIT (x)	N/A	8.5	5.9	4.6
Equity FCF yield (%)	16.4	19.9	24.1	29.7
Dividend yield (%)	0.0	0.0	0.0	0.0

Per Share Data

Year ended June 30	FY24	FY25E	FY26E	FY27E
EPS diluted - adjusted (cps)	(0.91)	0.39	0.60	0.84
EPS diluted (cps)	(0.91)	0.39	0.60	0.84
Cash flow per share (cps)	1.50	1.47	2.02	2.43
Free cash flow per share (cps)	1.11	1.34	1.62	1.99
Cash (cps)	3.15	3.23	3.77	4.71
Dividends (cps)	0.00	0.00	0.00	0.00
Net assets (cps)	4.49	4.89	5.45	6.30
Shares on issue - avg. basic (m)	513	514	518	518
Shares on issue - avg. diluted (m)	513	514	518	518

Revenue Figures

Year ended June 30	FY24	FY25E	FY26E	FY27E
Total Revenue (\$m)	92.6	97.2	104.0	109.2
Total Revenue Growth (%)	-8.2	5.0	7.0	5.0

Performance Ratios

Year ended June 30	FY24	FY25E	FY26E	FY27E
Change in sales (\$m)	(8.3)	4.6	6.8	5.2
Change in EBITDA (\$m)	(4.3)	4.5	1.1	1.0
Leverage (%)	52.3	98.3	16.7	19.7
EBITDA Margin (%)	6.0	10.3	10.7	11.2
Operating cost margin (%)	94.0	89.7	89.3	88.8
Cost growth (%)	(4.3)	0.1	6.5	4.5
Tax rate (%)	(5.7)	0.0	0.0	0.0

Balance Sheet Ratios

Year ended June 30	FY24	FY25E	FY26E	FY27E
Gross debt (\$ m)	20.9	17.2	15.7	14.2
Net cash/(debt) (\$ m)	11.2	13.1	17.5	23.8

Major Shareholders (excluding nominees)

	Shares	Holding
Sherkane Pty Ltd	103.2m	19.9%
Carrier International Pty Ltd	75.0m	14.5%
Adam Lamond & Family	75.0m	14.5%
Brian Elton & Family	39.7m	7.7%
Top 20 shareholders	316.0m	61.0%

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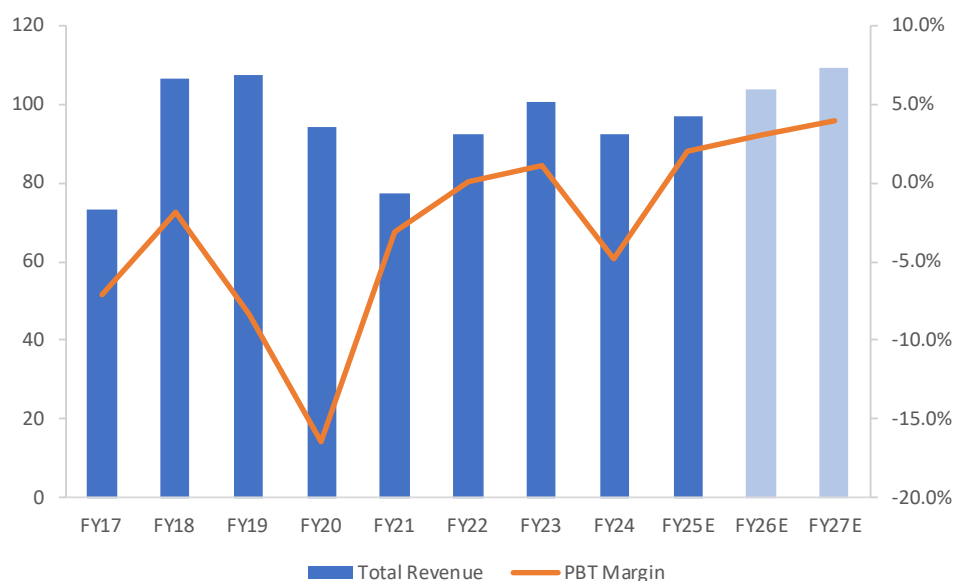
Company Overview

Veris is a market-leading spatial data and surveying business providing digital geospatial solutions to critical infrastructure and asset-intensive industries across Australia. The company delivers integrated spatial services, including surveying, digital twin, reality capture, digital engineering, and geospatial data analytics, to support planning, construction, and ongoing management of built and natural environments. Importantly, this positions Veris differently to competitors, in their ability to collect, hold, understand and apply data to unlock value.

The company was originally listed in 2007 and merged with OTOC Limited in 2011. In 2014, the business pivoted towards surveying and geospatial services, undertaking a roll-up of state-based surveying firms before rebranding as Veris in 2017. In recent years, a new management team has led a strategic reset, divesting non-core assets, simplifying operations and investing in digital capabilities. Veris now operates nationally, with circa 500 people and services both public and private sector clients across all major states and territories.

Veris reported FY25 revenue of \$97.2m, up 5.0% on the pcp (Figure 2). Growth was deliberately moderate as the company continued its strategic shift towards higher-margin, large-scale and complex projects, while winding back its exposure to smaller jobs. Importantly, this shift has delivered a return to profitability, with profit before tax of \$2.0m in FY25 – a strong turnaround from the \$4.4m loss recorded in FY24.

Figure 2: Total Revenue (\$m, LHS) vs. PBT Margin (% , RHS)

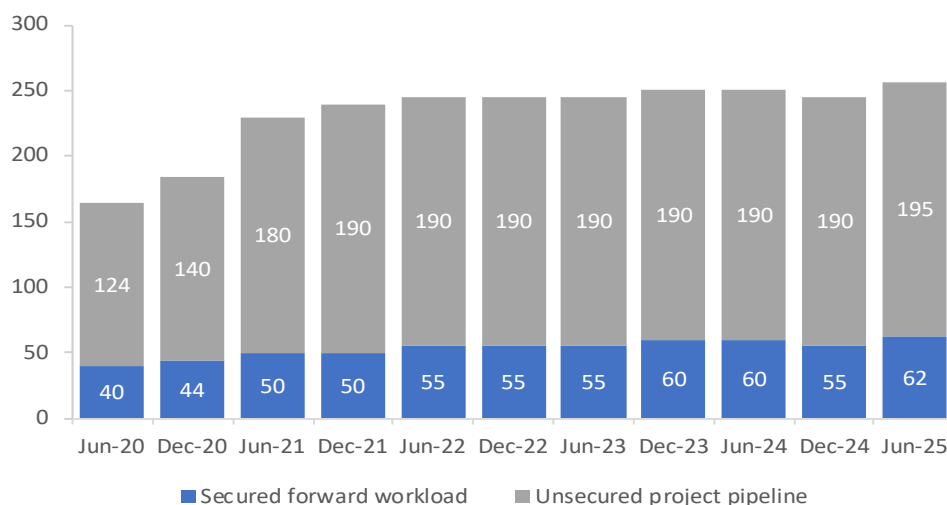


Source: Company data, Veritas estimates

FY26 forecasted revenue implies a c22% book to bill of Veris' unsecured project pipeline.

Veris currently holds a secured forward workload of over \$62 million, along with a weighted unsecured pipeline exceeding \$195 million (Figure 3). Management has a solid track record of converting both backlog and pipeline opportunities into revenue, and now doing so at margins that are higher than historical levels. This underpins our confidence in the outlook.

Figure 3: Veris Pipeline (\$m)



Source: Company data, Veritas

Digital-First Strategy

Veris provides end-to-end services spanning the entire asset lifecycle for its clients.

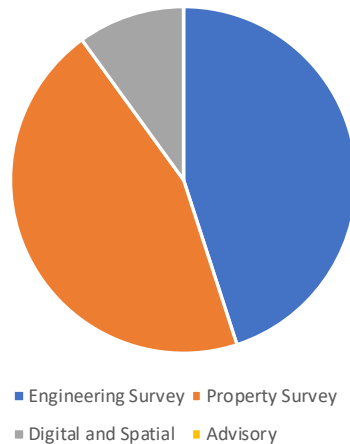
Veris' digital-first strategy puts innovative digital and spatial data solutions at the core of its multi-disciplinary service offering to clients, through cloud-based platforms and reality capture. Its capabilities are used across transport, property & buildings, government, utilities, defence, energy and resources providing clients with essential visibility and control during major capital project lifecycles. Veris' core business units include:

- **Digital and Spatial:** Delivering advanced data capture, 3D scanning, cloud hosting, modelling, visualisation and spatial analysis. These capabilities underpin the planning and design of complex infrastructure and are increasingly delivered through integrated digital workflows to clients.
- **Consulting and Advisory:** Focused on high-value strategic services, this unit provides due diligence, master planning, statutory and strategic planning, environmental and project approvals, contaminated land and waste management, and water management. It aligns closely with client demand for ESG-compliant infrastructure and long-term regulatory engagement.
- **Property Survey:** This traditional service line supports cadastral surveying, land subdivision, property development advice and tenure mapping. It remains a key entry point to long-term infrastructure and urban planning engagements.
- **Engineering Survey:** Delivered on-site for civil construction, infrastructure and resources projects, this business provides precision measurements, control surveys and set-out solutions that ensure accuracy and efficiency during construction phases.

Collectively, these segments provide Veris with a full-spectrum capability to support infrastructure clients through the entire asset lifecycle, from feasibility and design through to construction and maintenance.

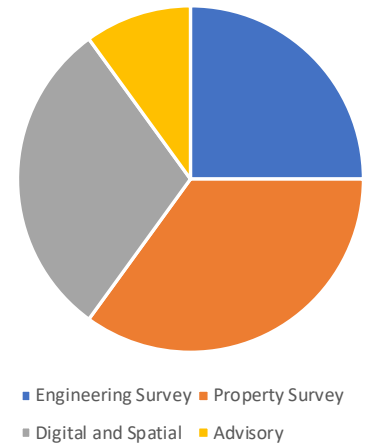
Management has provided Veritas indicative figures showing how Veris' revenue mix has evolved from FY20 to FY25, highlighting the strategic shift toward higher-margin, digital-led services (Figure 4 & Figure 5). Digital & Spatial Revenue now makes up 20%+ of total revenue (vs. 11% in FY22).

Figure 4: Indicative FY20 Revenue Breakdown (%)



Source: Company data, Veritas

Figure 5: Indicative FY25 Revenue Breakdown (%)



Source: Company data, Veritas

Quality names in transport, utilities, engineering, government, resources, and infrastructure.

Veris has also made a deliberate strategic pivot into higher-margin consulting and advisory services, aligning its offerings with the digital transformation goals of its client base. These services now serve a broader cross-section of industrial sectors and position the company to benefit from rising demand for data-driven planning, environmental compliance, and infrastructure modernisation. As digital transformation gains momentum across the infrastructure and built environment sectors, Veris is increasingly well positioned to capture a larger share of this evolving addressable market.

Veris boasts a wide array of market-leading Tier 1 clients across Transport, Property & Buildings, Government, Utilities, Defence, Energy and Resources (Figure 6). These sectors are typically backed by long-term investment cycles and underpinned by public and private funding. This broad sector exposure not only provides resilience through economic cycles but also positions Veris to capitalise on ongoing infrastructure spending, urban development, and Australia's transition to renewable energy.

Figure 6: Tier 1 Client Base



Source: Company data, Veritas

With growing pressure on Veris' clients to enhance outcomes, boost productivity, and improve financial performance, streamlining and simplifying processes has become an obvious priority – a need that Veris is well positioned to meet.

Key Competitive Difference

In a highly fragmented industry where many providers operate in isolated segments, Veris stands out through its end-to-end capability - capturing, storing, analysing, and delivering actionable spatial data insights. Its ability to offer a fully integrated solution across the asset lifecycle, from reality capture to maintenance planning, simplifies workflows and reduces complexity for clients. A common challenge faced by asset owners is the need to coordinate multiple vendors (one for data capture, another for platform integration, and another for insights and analytics) resulting in inefficiencies, higher costs, and system incompatibilities. Veris' unified platform addresses this by streamlining the entire process, delivering greater efficiency and value.

Clients are increasingly shifting from reactive maintenance (addressing issues after they occur) to proactive planning (anticipating and preventing issues) as part of broader efficiency initiatives aimed at boosting productivity and reducing costs. Veris' high-quality reality capture and detailed platform insights enables clients to achieve this.

We also note, while other fully integrated players exist, Veris has a unique advantage in its size. Compared to global firms like Hexagon or Jacobs (Competitor Analysis outlined on Page 17), Veris is more nimble, able to provide bespoke, client-specific solutions without the overhead of multinational systems. This flexibility allows it to serve a broader mix of mid-tier and local government clients who demand high-quality digital infrastructure solutions but are often underserved by larger players.

From Reactive Maintenance to Proactive Planning

Veris provides end-to-end spatial data services that are fundamental to the planning, construction, and maintenance of Australia's built environment. Through a combination of technical expertise, digital innovation, and national scale, Veris delivers solutions across the full infrastructure lifecycle.

Its service offering spans three core pillars:

- **Digital Solutions:** Advanced reality capture, BIM, 3D scanning, and modelling that enhance design accuracy and project coordination.
- **Surveying & Spatial Services:** Legal, engineering, and construction surveys underpinning land development, asset installation, and compliance.
- **Consulting & Advisory:** Strategic planning, land tenure, environmental approvals, and digital enablement that support early project feasibility and long-term asset optimisation.

These services are mission-critical across sectors including transport, energy, defence, resources, utilities, and urban development - positioning Veris as a key enabler of Australia's infrastructure investment pipeline.

Importantly, Veris' solutions empower clients to transition from reactive, labour-intensive maintenance to proactive, data-driven infrastructure planning through the use of spatial automation. By combining advanced data capture technologies, AI-powered analytics, and integrated digital platforms, Veris enables asset owners to make more informed decisions, enhance operational efficiency, and deliver more resilient infrastructure outcomes in a more safety-focussed methodology.

Digital Solutions

Veris' Digital Solutions division is a strategic growth engine that delivers proprietary cloud-based software platforms, mobile applications, and digital products that unlock value from spatial and geospatial data. Serving asset-heavy industries (infrastructure, energy, transport, urban development), the platforms provide clients with tools to visualise, analyse, and collaborate on complex infrastructure datasets.

Digital Solutions segment is higher margin and is driving earnings growth for Veris.

These are solutions that solve critical problems in enabling better decision-making throughout the project lifecycle - from early feasibility and planning to construction, operation, and ongoing asset maintenance. The company's core platform services include:

- **RoadSiDe** - Remote assessment of road asset conditions using virtual tools.
- **BridgeSiDe** - Digital inspections of bridges and infrastructure for structural assessment.
- **PhotoNavigator** - AI-powered platform for interactive delivery of automated dilapidation reports.
- **Digital Urbanism** - An intelligent platform combining digital engineering (BIM, 3D visualisation), socio-economic data, and AI for urban analysis.
- **Digital Twin** - a live, digital representation of a physical asset, enabling real-time monitoring and decision-making.

Offering both the platform and capture technique is key to Veris' success.

Veris' core capability lies in its market-leading expertise in spatial data capture and the integration of this data into advanced digital outputs, including 3D visualisations, interactive dashboards, machine learning models, and spatial analytics. This is the company's key differentiator, offering a full 3D asset condition platform. The company employs a range of reality capture methods to support these outcomes:

Method	Output	Use Cases
UAV (Drone)	Photogrammetry, LiDAR, high res orthophotos	Stockpile volumes, construction monitoring, tree encroachment
Mobile Laser Scanning (MLS)	Vehicle mounted MLS to capture high res imagery and 3D point clouds	Road/rail corridor mapping, urban dilapidation surveys
Terrestrial Laser Scanning	Millimetre-accurate scans of built form	Building models, factory layouts, historical restoration
Metrology	Precision (<1mm) scanning	Modular fabrication, asset alignment, manufacturing QC
Hydrographic	Subsurface sonar + LiDAR	Ports, dams, riverbed inspections, dredging

These high-precision capture techniques directly power Veris' suite of digital and analytics platforms. A key competitive advantage is the exceptionally high-resolution and quality of the data outputs, setting Veris apart from competitors whose offerings are often lower quality and more commoditised. For example, Veris leverages the combined power of Mobile Laser Scanning (MLS, Figure 7) and 3D Ground Penetrating Radar (GPR, Figure 8) to deliver comprehensive surface and subsurface data for construction, infrastructure, and environmental projects. This integrated approach enables highly accurate utility mapping, reduces excavation risks, and supports safer, more informed planning decisions.

Figure 7: Mobile Laser Scanning Vehicle



Source: Company website

Figure 8: Ground Penetrating Radar Vehicle



Source: Company website

The 3D MLS and GPR solution enhances Veris' utility and asset investigation capabilities through specialised services such as void and crack mapping, moisture detection, pavement thickness analysis, tree root mapping, and contamination assessment (Figure 9). The GPR vehicle is also one of the few in Australia, providing a key differentiator in the spatial data and surveying market for clients needing high-resolution, non-invasive techniques.

Figure 9: Example output from MLS and GPR for Pavement Analysis



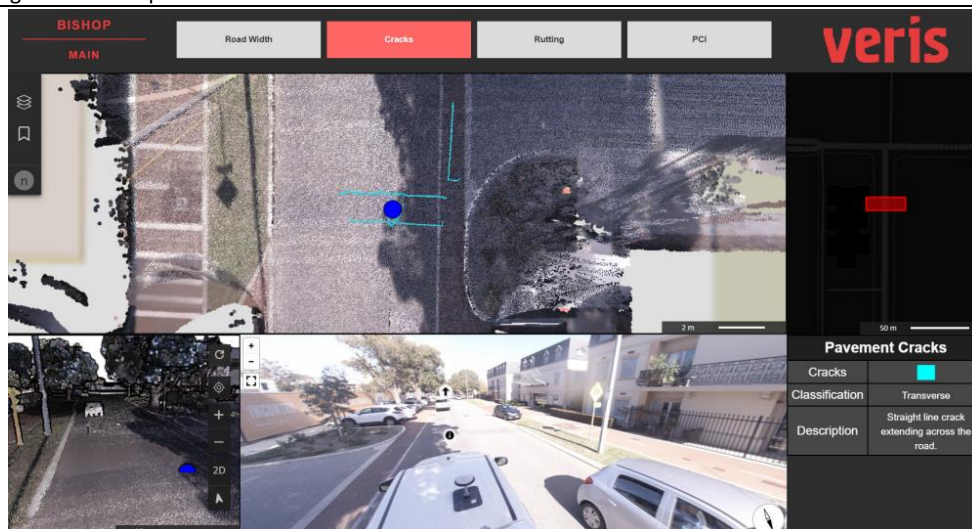
Source: Company, Veritas

RoadSiDe

RoadSiDe is a cloud-based virtual inspection platform that combines sensor data, 360-degree imagery, and spatial analytics to transform traditional road condition assessments. Conventional methods are typically labour-intensive, time-consuming, and carry safety risks for field personnel.

Customers include state governments, road authorities, local councils, road maintenance contractors, and civil construction companies who rely on accurate and scalable data to support asset management and planning. Given the high-resolution output and significant data processing requirements, road condition data is typically captured on a recurring cycle of once every two to three years. While not annual, this model supports a steady, recurring revenue stream, with opportunities for additional value-add services.

Figure 10: Example - RoadSiDe Dashboard



Source: Company, Veritas

BridgeSiDe

Similarly to the RoadSiDe platform, BridgeSiDe is a virtual inspection platform combining reality capture (typically drone/UAV 3D imagery) to build bridge infrastructure condition assessments. It addresses the same challenges as RoadSiDe by improving productivity, enhancing decision-making, and significantly reducing on-site safety risks. According to data from UNSW, Australia is home to more than 53,000 bridges, all of which require ongoing maintenance and increasing levels of investment to ensure structural integrity and public safety. BridgeSiDe delivers these same operational efficiencies for structural engineers, enabling them to conduct remote inspections on behalf of asset owners with greater accuracy and lower cost.

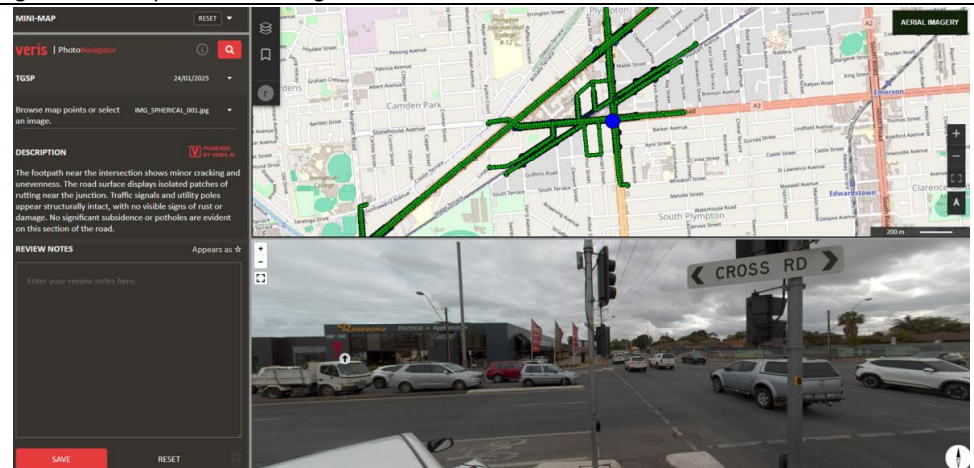
Photo Navigator

Regulatory changes and greater need for accountability in government & private decision-making means Veris' digital solutions will be increasingly required.

Photo Navigator is a web-based platform that utilises 360° panoramic imagery, AI and an interactive map interface to deliver detailed dilapidation surveys and asset condition reports. The platform solves the problem with traditional dilapidation surveys using SLR cameras often resulting in incomplete documentation by missing areas not explicitly photographed. This approach increases risk for clients due to gaps in records and significant manual effort requirements.

The solution captures high-resolution 360° panoramic imagery using backpack- or vehicle-mounted cameras, ensuring every detail of the site is recorded. AI-driven analysis then automatically detects and categorises defects such as cracks, corrosion, and other structural issues - customised to align with client-specific priorities. This approach provides comprehensive coverage, minimises risk, and creates a reliable digital archive for ongoing condition monitoring and change detection. The web-based platform allows users to remotely view, zoom, and navigate through imagery, annotate areas of interest, and collaborate efficiently. Automated reporting capabilities further streamline workflows by generating tailored dilapidation reports quickly and accurately, significantly reducing manual workload.

Figure 11: Example – Photo Navigator Dashboard



Source: Company, Veritas

Digital Urbanism

A dynamic platform that fuses digital engineering (BIM, 3D visualisation), socio-economic data, and AI. It enables city planners and developers to rapidly evaluate project viability, assess community impacts, optimise construction staging, and streamline the planning approval process. Currently offered as a more bespoke solution, Digital Urbanism is primarily used for high-fidelity rendering of estates and developments. While still in its early stages, this form of visualisation (comparable to a detailed, project-specific version of Google Street View) provides asset owners with an intuitive digital interface that enhances communication, improves planning efficiency, and supports better stakeholder engagement.

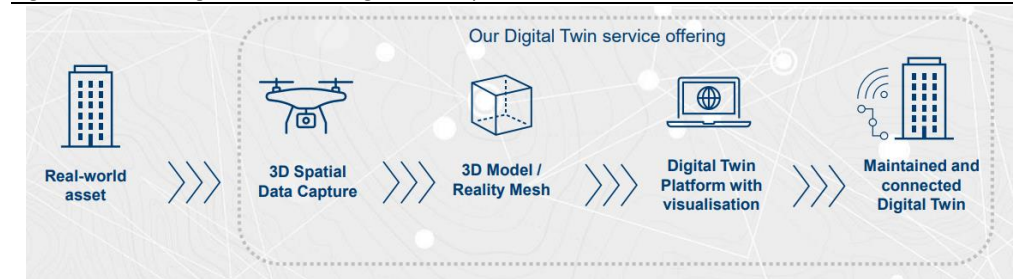
Digital Twins

These platforms benefit these clients from:

- Improving safety outcomes
- Greater accountability enabled by the technology
- Model scenarios
- Not weather dependent
- Cost management
- Potential to prevent future maintenance.
- Legal risk reduction
- Over time analysis

Another bespoke offering, Veris' reality capture techniques and digital solutions can become the foundation of a wide range of high resolution Digital Twins (Figure 12).

Figure 12: Veris' Digital Twin Offering – from capture to maintenance



Source: Company, Veritas

Digital Twins are a major driver of growth in 3D spatial data. Why are they needed?

1. Digital twins enable asset owners to track changes and perform analysis for performance optimisation across an asset's entire lifecycle
2. Digital twins are providing organisations with a significant ROI. This is driven by useful operational insights from a comprehensive virtual view of asset operations.
3. 3D visualisations save time and money as they reduce site visits enabling online collaboration and rapid decision-making from remote locations.
4. 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.

Strategic Note: Digital Solutions is critical to Veris' margin profile and scalability. It serves as both a standalone revenue driver and an enabler of recurring revenue streams through SaaS subscriptions and service agreements, and offer high cross-sell potential across survey and reality capture clients.

Surveying & Spatial

Property Survey

Veris delivers cadastral and legal boundary surveys that are fundamental to property development, titling, and asset acquisition across all Australian jurisdictions.

Survey Type	Purpose
Boundary & Title Surveys	Land ownership definition and legal subdivision
Strata & Volumetric Surveys	For multi-unit residential or commercial titles
Digital Plan Submissions	Seamless integration with ePlan and Land Registry systems
3D Spatial Surveys	Subsurface and above-ground spatial definition

Strategic Note: Core compliance offering with reliable cash flows. Also opens the door to value-add services like digital modelling and underground insights.

Engineering Survey

A foundational offering supporting major infrastructure and construction projects. Veris' teams provide accurate positioning, set out, and verification using advanced digital methods, ensuring tolerance compliance and project efficiency.

Sub-sector	Key services
Infrastructure	Horizontal/vertical control, rail alignment, tunnel monitoring
Buildings	Reinforcement marking, slab level control, dimensional verification
Mining & Industrial	Modular layout, conveyor and SMP alignment, volumetric checks
Tunnelling	High-precision 3D scanning in confined spaces, deformation tracking

Strategic Note: Often co-located on long-duration infrastructure projects, offering annuity-like revenue and strong cross-sell into reality capture and monitoring services.

Consulting & Advisory

This division provides integrated strategic advice across planning, surveying, environmental compliance, digital transformation, and land tenure. It serves both government and private sector clients and frequently acts as the gateway for broader Veris services.

Advisory Area	Services
Planning & Approvals	Town planning, rezoning, DA/CDC strategy
Land Titling	Subdivision strategy, strata titling, land acquisition
Environmental	Native title, environmental permitting, coastal risk assessments
Digital Uplift	Maturity assessments, roadmap development, change enablement

Strategic Note: Often Veris' entry point into large-scale, long-cycle projects (e.g. transport infrastructure, major precincts) and acts as a key cross-sell lever for other service lines.

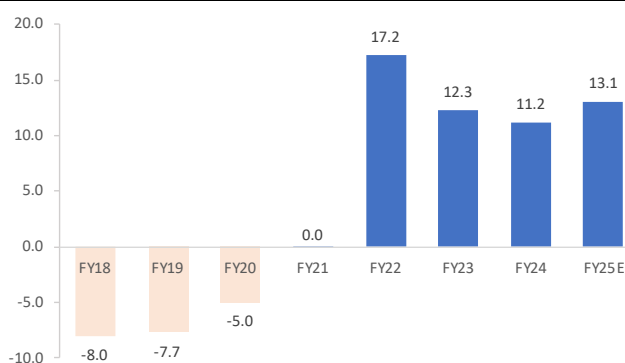
Operational Reset and Cost Base Transformation

Historically, Veris was challenged by operational complexity, ineffective integration of historic acquisitions, inconsistent workforce utilisation, and an excessive overhead base. Since the onset of COVID-19, the company has undergone a significant operational and strategic transformation, led by Chairman Karl Paganin and a refreshed board. This included the appointment of a new executive team, with Michael Shirley joining as CEO in October 2019 and later becoming Managing Director in June 2022, and Steven Harding appointed as CFO in April 2020. A broader board renewal also took place during this period.

The AQURA sale to Telstra for \$30m was a key milestone in the turnaround.

A key milestone in the turnaround was the divestment of non-core business unit AQURA to Telstra in FY22 for \$30.0m, which materially strengthened and de-risked the balance sheet (Figure 13). Net cash improved to \$17.2m post the sale, allowing management to extinguish their long-term corporate debt, replaced by lower cost facilities. This improved financial position has enabled Veris to renegotiate major supplier agreements - delivering efficiencies in areas such as fleet and technical equipment procurement, insurance, and corporate financing.

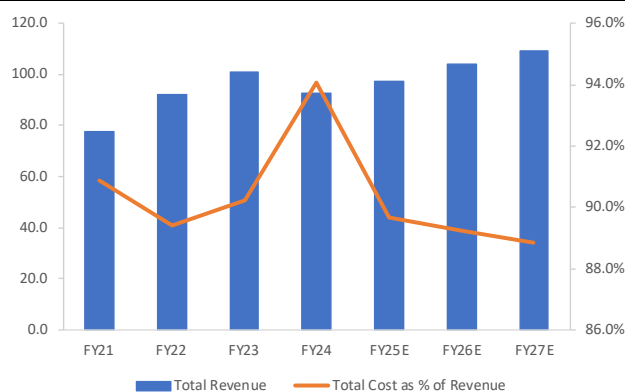
Figure 13: Net Cash/(Debt) excluding leases (\$m)



Source: Company data, Veritas

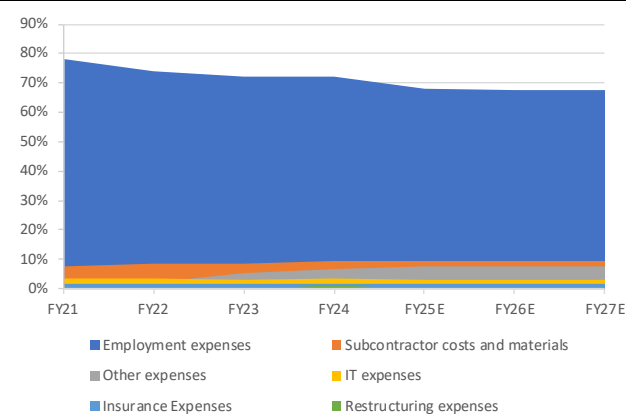
Labour costs have also been reduced, with an annualised saving of \$3.6m and over \$3.0m in one-off restructuring costs recognised in FY24. Vehicle fleet has also been reduced from c480 in 2020 to c190 vehicles in 2025. The company has flattened its organisational structure to reduce overheads, and implemented tighter project margining tools and cost controls to drive operational discipline. Total costs as a percentage of revenue peaked at 94.0% in FY24, before falling to 89.7% in FY25, driven by the above cost reductions (Figure 14). Veritas forecasts a continued decline in total costs relative to revenue over the coming years. A breakdown of each expense category highlights broad-based improvements, with most line items trending lower as a percentage of revenue (Figure 15). These shifts suggest that operating leverage is beginning to take effect.

Figure 14: Revenue (LHS, \$m) vs. Total Cost as a % of Revenue (% , RHS)



Source: Company data, Veritas estimates

Figure 15: Cost Breakdown as a % of Revenue decreasing over time



Source: Company data, Veritas estimates

Veris has also recently achieved meaningful cost savings through lease rationalisation. The company previously maintained an inefficient lease footprint, including a poorly located office in Southbank, Melbourne - where exiting the space (including costly building signage), is expected to deliver material savings. In the short term, lease costs will remain elevated in 1H26, as Veris temporarily incurs rent across three Melbourne sites: old Southbank site, the newly acquired Spatial Vision office, and the new Burnley location. These legacy costs are expected to roll off by 2H26, unlocking a clear cost benefit. Additional savings are also anticipated from the exit or downsizing of several regional offices.

This cost rationalisation underpins our Profit Before Tax improving -\$4.4m in FY24 to \$3.1m in FY26.

The digital shift driving earnings growth

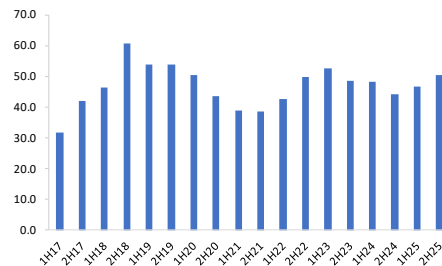
The operational pivot since Michael Shirley's appointment has seen a transition from its core surveying offering to a fully integrated digital and spatial data advisory and consulting firm, underpinned by a professional services approach. This positions Veris differently to competitors, in their ability to collect, hold, understand and apply data to unlock value for their customers. Management's broader digital shift strategy has also resulted in:

- Implementation of cloud-based delivery platforms
- Enhanced data visualisation, analysis and storage for clients
- Integration of 3D scanning and reality modelling technologies
- Centralisation of project workflows across a national platform

Veris' revenue growth has historically been impacted by its reliance on small-scale surveying and lower-margin projects, which are inherently difficult to manage and require constant infill to maintain workflow. These jobs tend to be short in duration and geographically dispersed, leading to (generally...) inefficiencies and lumpy, unpredictable revenue (Figure 16).

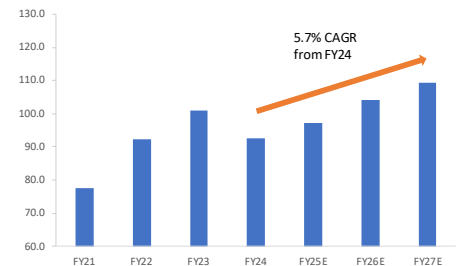
However, the company's deliberate shift toward digital and spatial solutions has allowed it to pursue larger, longer-duration and more strategic projects. As this transition continues, Veris expects both revenue and margins to improve, supported by a more scalable and sustainable project pipeline. This underpins Veritas estimates for a revenue CAGR of 5.7% to FY27 from FY24, which we view as sustainable and conservative with optionality to bolster through more acquisitions (Figure 17).

Figure 16: Half-Year Revenue (\$m)



Source: Company data, Veritas

Figure 17: Full-Year Revenue (\$m)



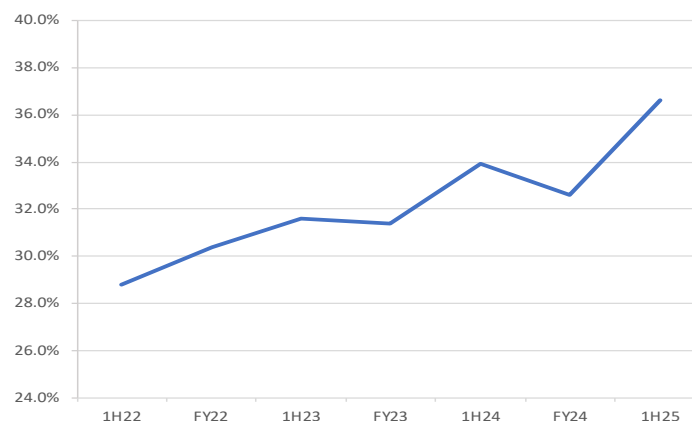
Source: Company data, Veritas Estimates

Importantly, we note that effectively all of the investment in the development of the digital solutions has been internally funded (via increasing gross project margins) whilst also being expensed in the P&L over historic periods – i.e. minimal capitalisation of costs (R&D labour, software expenses etc.) on the balance sheet. This is important as it:

1. Provides earnings leverage via the continued crystallisation and growth in market adoption of these higher margin solutions without commensurate costs to services; and
2. De-risk the balance sheet/net asset position from future risk of impairment issues/justification of carrying values should market acceptance not match growth assumptions.

This transition and the moving away from smaller, low value projects which typically require relatively higher administrative and servicing costs have already improved Gross Profit Margins from 28.8% in 1H22 to 36.6% in 1H25 (Figure 18).

Figure 18: Gross Profit Margin (%)



Source: Company data, Veritas

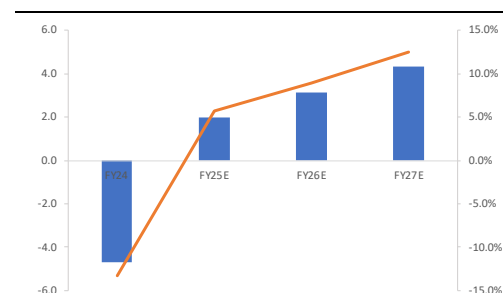
Ultimately, we believe this transition will unlock higher-margin recurring revenue over time, improving customer stickiness and asset-light returns. This underpins our EBITDA margins improving from 6.0% in FY24 to 11.2% in FY27. Stronger returns and an improving net cash position allowing for improved financing terms on their leased fleet and corporate borrowings is concurrently driving NPAT increasing from -\$4.7m in FY24 to \$2.0m in FY25 and \$4.4m in FY27, representing an EPS Yield of over 12% in FY27 (Figure 20).

Figure 19: EBITDA (\$m, LHS) vs. EBITDA Margins (% , RHS)



Source: Company data, Veritas Estimates

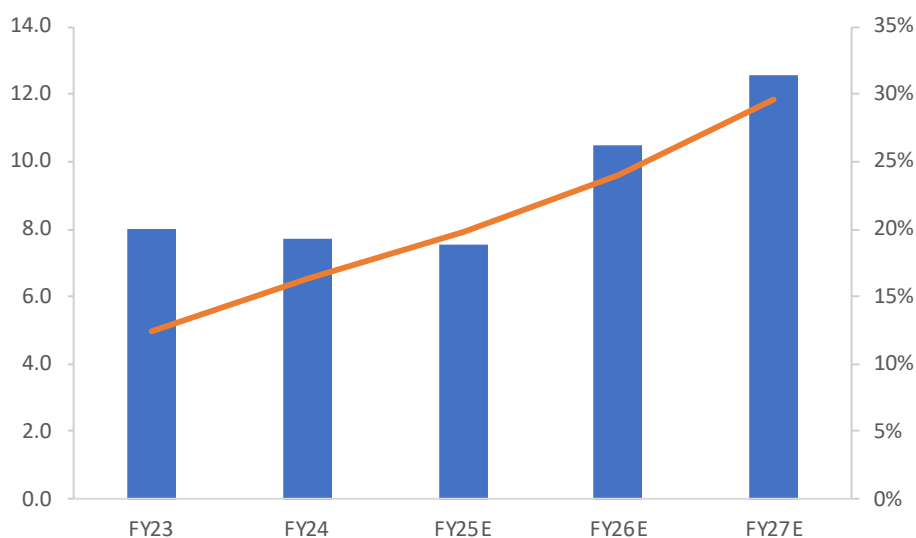
Figure 20: NPAT (\$m, LHS) vs. EPS Yield (% , RHS)



Source: Company data, Veritas Estimates

Strong cash conversion has translated into historically robust operating cash flows, while Veris' disciplined capex model (<\$2.5m p.a.) has supported improving free cash flow yields from 12% in FY23 to 30% in FY27 (Figure 21). This is driving organic net cash growth and provides significant optionality for management.

Figure 21: Operating Cash Flows (\$m, LHS) vs. FCF Yield (% , RHS)



Source: Company data, Veritas Estimates

Balance sheet strength gives strategic optionality

The \$16.6m cash balance reported in FY25, we believe gives management great optionality in returning capital to shareholders, pursuing high-margin acquisitions and to continue investing in digital platforms.

Acquisitions

Historically, from FY14 to FY18 Veris pursued a roll-up strategy across the surveying and geospatial sector, acquiring a number of regional players to build national scale and capability (Figure 22). While this approach supported revenue growth and market presence, it also left the business exposed to the cyclical nature and lower-margin profile of traditional surveying work.

Figure 22: Veris Acquisition History

Acquisition	Date	Consideration	EV \$m	Revenue \$m	EBITDA \$m	EV/Rev x	EV/EBITDA x	Notes
Spatial Vision Innovations	Mar-25	\$1.5m cash and \$0.5m shares	3.0	9.0	N/A	0.3	N/A	Digital advisory and consulting firm with spatial data and digital solutions.
Wumara Group (EMFOX)	Jul-21	49% stake; \$180k cash + \$20k shares	0.2	N/A	N/A	N/A	N/A	100% Indigenous-owned land and construction surveying company.
Elton Consulting	Mar-18	\$9m cash + \$3m shares + \$2m performance	12.0	20.0	3.1	0.6	3.9	Professional and advisory services with government and tier 1 property clients.
LANDdata Surveys	Jun-17	\$3.8m cash + \$1m performance payments	4.8	5.5	1.4	0.9	3.5	Surveying consultancy firm in the ACT market.
Lester Franks Survey & Geographic	Nov-16	\$3.1m cash + \$0.5m shares	3.6	5.0	N/A	0.7	N/A	Tasmania-based spatial engineering and laser scanning business.
WKC Spatial	Aug-16	\$1.9m cash	1.9	N/A	N/A	N/A	N/A	Perth-based surveying and geospatial services company.
Lawrence Group	Jun-16	\$3.85m cash + \$1m OTOC shares	4.9	N/A	1.2	N/A	4.0	Sydney-based multi-disciplinary surveying consultancy company.
Linker Surveying	Mar-16	\$3m cash + \$0.4m OTOC shares	3.4	N/A	0.9	N/A	4.0	Sydney-based multi-disciplinary surveying consultancy company.
THG WSG Acquisition	Apr-15	\$2.2m cash + \$0.4m OTOC shares	2.6	N/A	1.2	N/A	2.3	Queensland-based surveying and planning consultancy company.
Geo-Metric Surveying Acquisition	Nov-14	\$7m cash + \$2.5m OTOC shares	9.5	N/A	2.7	N/A	3.5	Specialist infrastructure and engineering surveying consultancy company.
Bosco Jonson Acquisition	Sep-14	\$13m cash and \$1m shares	14.0	N/A	4.5	N/A	3.1	Victorian surveying, town planning and urban design company.
Average						0.6	3.5	

Note: The Wumara Group Investment and Spatial Vision Acquisition were undertaken by the New Management team

Source: Company data, Veritas

Under the current management team, the capital allocation framework has shifted toward enhancing the group's exposure to structurally higher-margin, recurring revenue segments, namely digital solutions and advisory. Management have made clear that future acquisitions will be targeted, margin-accretive, and strategically aligned with the group's transition towards scalable services.

The company recently acquired Spatial Vision at an indicative EV/Revenue of 0.3x – expected to contribute \$9.0m annually.

The most recent example of this strategy is the acquisition of Spatial Vision in January 2025, a Melbourne-based provider of spatial solutions and GIS services. The transaction, valued at up to \$3.0m (comprising cash and scrip, subject to earn-out conditions), expands Veris' capabilities in spatial data analysis, GIS delivery, and strategic consulting. Spatial Vision is expected to contribute over \$9.0m in annualised revenue and be earnings accretive from FY26 onwards, with Veris anticipating meaningful cost and operational synergies to be crystallised within a 12-month integration window.

While no acquisitions have been included in current Veritas estimates, we view further M&A as probable given Veris' balance sheet capacity and strategic intent - offering potential upside to our base case estimates.

Capital Return

Veris' strong cash position provides the flexibility to return capital to shareholders alongside continued investment in growth. In FY22, the company initiated an on-market buyback, and has since then repurchased approximately 21.5m shares worth c\$1.5m. At current share price levels, the Board continues to view the buyback as a value-accretive use of capital and has signalled its intention to maintain or potentially accelerate the program in FY26.

In addition to the buyback, the Board is also considering the reinstatement of dividends, consistent with its adopted dividend policy. In FY24, Veris declared a fully franked dividend of 0.15cps. The company holds a significant franking credit balance of \$5.18m, which provides capacity for fully franked dividends to be paid in future periods. While management has not formally guided to a dividend in FY25 or FY26, commentary in the recent trading update suggests that the Board is actively considering a return, contingent on ongoing business performance.

No dividend payments have been included into our current forecasts due to the absence of a publicly disclosed payout framework; however, we view capital returns as an increasingly likely outcome and a potential source of upside to shareholder returns over the medium term.

Wumara Group Investment

In July 2021, Veris' new management team acquired a 49% interest in Indigenous owned Wumara Group. Wumara is a majority Indigenous owned land and construction surveying company, empowering Indigenous Australians through education and employment opportunities.

Competitive Landscape

The digital spatial data and infrastructure analytics market is highly fragmented, with a large number of vendors operating in mostly siloed segments. These segments span a wide range of specialisations: from data capture to analytics, visualisation platforms, consulting services, and end-use applications. Few players offer a truly integrated, end-to-end solution across the entire asset lifecycle. The company also competes against local independent surveying firms, often lacking scale and tech capability, but cost competitive.

Capture

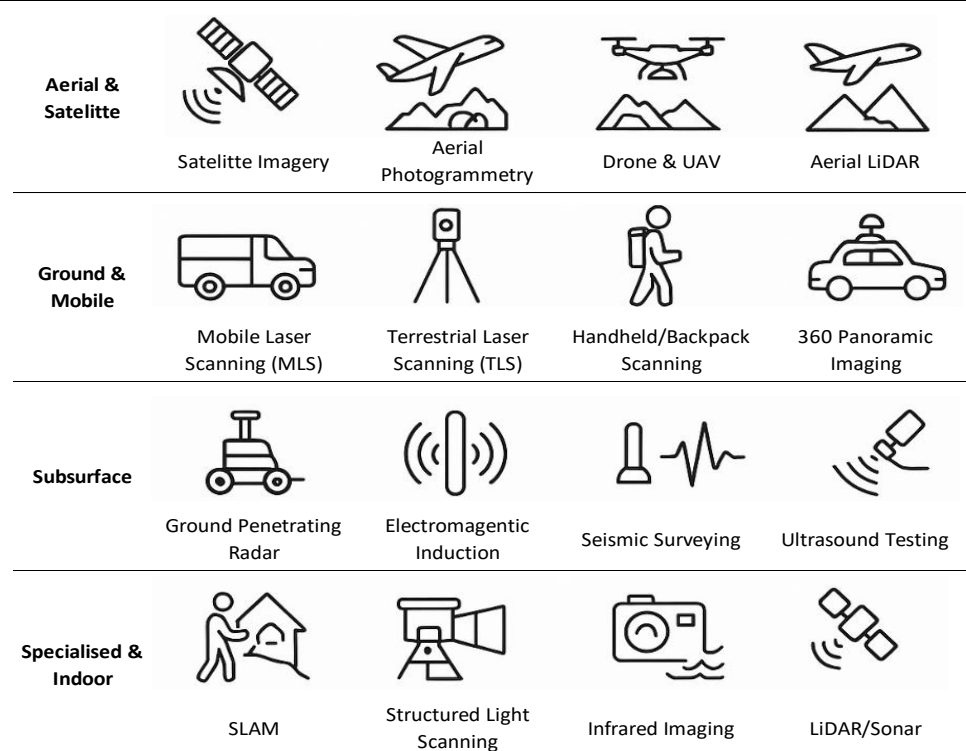
Arguably the most crowded segment of the market, encompassing companies that specialise in collecting spatial data via various techniques and technologies (Figure 23). This includes aerial/satellite capture (NearMap, BlackSky), UAV (Birdi, DroneDeploy), LiDAR and MLS mapping (Emesent) and GNSS surveying (RapidMap).

While these firms offer valuable services, their offerings are typically limited to raw data collection and do not extend meaningfully into data analysis, platform integration, or consulting.

Veris' core capture techniques include:

- **Mobile Laser Scanning**
- **Terrestrial Laser Scanning**
- **Handheld Scanning**
- **360 Imaging**
- **Ground Penetrating Radar**
- **LiDAR**
- **Drones & UAV**

Figure 23: Key Reality Capture Techniques



Source: Company data, Veritas

Data and Analytics

The data and analytics space includes niche firms such as Australian Spatial Analytics, which process and interpret spatial data to derive insights. However, they often depend on third-party providers for data capture and lack the tools to deliver outputs in contextually useful formats for asset owners. Other visualisation platforms such as Google Earth and 3D data tools like Pointerra3D (3DP-AU) and Euclidean are often used as interface layers. While these tools can be powerful, they are not tailored for specific asset types or integrated deeply with the data capture or analysis phases. Larger firms such as Google and Microsoft are useful in storage of large datasets.

Digital and Consulting

There is also a category of digital consulting and GIS-integrated service providers, such as Big 4 accounting firms and Accenture or more geospatially focused firms like ESRI. These firms offer advisory and digital transformation services, but they typically rely on external data providers or software solutions to power their recommendations. Their engagement is often strategic rather than operational or infrastructure focused.

End-Use Application

End-use application providers focus on very specific needs like road condition assessment (Asset Vision (ASV-AU), Fulcrum), bridge inspections (Strayos), or digital urban planning (Mesh, Urbis). These providers may provide capture technologies, however, are generally lower quality or more commoditised. These are narrow tools designed for particular client types or use cases.

Many players offer siloed solutions; a few provide moderately integrated platforms; and only a small number deliver comprehensive solutions.

Veris plays in the fully integrated space.

Figure 24: Market Mapping

Market Mapping		
Capture	Moderate Integration	Fully Integrated (Key Competitors)
Data Analysis and Insights		
End Use Applications	Engineering Consulting	
Digital Consulting		

Source: Veritas

Integrated

Companies such as Aerometrex (AMX-AU), RemSense (REM-AU), and Bennett + Bennett offer partially integrated solutions, combining spatial data capture with a solid level of in-house analysis. However, their strengths tend to be concentrated in specific reality capture techniques rather than offering end-to-end lifecycle coverage. Similarly, digital engineering firms like Aurecon and GHD provide specialised digital advisory and engineering services but typically rely on third-party providers for data capture, limiting their integration across the full value chain.

Key Competitors

At the other end of the spectrum are fully integrated players, which provide coverage across most or all segments of the value chain (from data capture through to consulting and decision support). These include large global companies such as Hexagon, Fugro and Jacobs, who offer comprehensive digital engineering and spatial data capabilities. Veris belongs in this category, with the unique distinction of being one of the only Australian-based players with an integrated offering built specifically for domestic infrastructure markets.

Veris' comprehensive offering is a distinct advantage versus its peers. Veritas have attempted to develop a competitor matrix showing Breadth of Services (x-axis) vs. Execution/Delivery Capability (y-axis). We note, this is indicative only and based on publicly available information, industry insights, and internal analysis. Positioning reflects each company's relative capabilities across the spatial data value chain (Figure 25).

Figure 25: Market Positioning Quadrant



Source: Veritas, Industry Sources

Industry Overview

Regulation, digitisation and increasing infrastructure spend are all tailwinds for Veris.

Digitalisation of the built environment has enormous potential to deliver enhanced value to stakeholders. A 2016 Boston Consulting Group report into digitalisation of E&C and operational processes expects digitalisation will generate circa 10-20% of project capex across building and infrastructure projects¹. We view this as likely to increase with increasing pressures on cost minimisation, less downtime, better safety and general business optimisation. We also expect continued regulatory tailwinds to drive adoption, particularly as governments and industry bodies place greater emphasis on transparency, data accuracy, and sustainability outcomes. This creates a favourable environment for service providers like Veris, whose integrated digital capabilities directly address these evolving market demands.

Key Industries

Veris is well-positioned across a diversified portfolio of infrastructure and asset-heavy sectors, each underpinned by strong structural growth. The company's six key markets: Transport, Property & Buildings, Government, Utilities, Defence, and Energy & Resources, represent a combined Serviceable Addressable Market (SAM, for Spatial Consulting Services) of ~\$1.07 billion, with robust forecast compound annual growth rates (CAGR) across the board (Figure 26).

¹ Boston Consulting Group, *The Transformative Power of Building Information Modelling*, March 2016, available at bcg.com

Figure 26: Leading client base aligned to growth in key industry sectors

	 Transport	 Property & Buildings	 Government	 Utilities	 Defence	 Energy & Resources
SAM*	\$220M	\$150M	\$280M	\$110M	\$100M	\$210M
CAGR^	9.5 - 11%	8 – 9.5%	7.5 – 8.5%	10 – 12%	14 – 16%	12 – 14%
Key Clients	   Perth Airport	    	   	   	  	   

Note: *Service Addressable Market 2025. ^Compound Annual Growth Rates for Spatial Consulting Services in Australia (2024-2034)
 Source: Company data (1H25 Investor Presentation), Veritas

The Transport sector (\$220m SAM, 9.5-11% CAGR) benefits from sustained investment in major road, rail, and airport infrastructure, with key clients including John Holland, CPB Contractors, and Acciona. Property & Buildings (\$150m SAM, 8-9.5% CAGR) remains active across both residential and commercial developments, with Veris servicing major developers such as Stockland, Cedar Woods, and Mirvac.

The Government sector, Veris' largest vertical by SAM at \$280m, is supported by ongoing public investment and recurring work across local, state, and federal levels (7.5-8.5% CAGR). Key clients include VicRoads, Main Roads, and Queensland Government.

Utilities (\$110m, 10-12% CAGR) and Defence (\$100m, 14-16% CAGR) are increasingly important segments. Growth in utilities is driven by water infrastructure and renewables, while defence is benefitting from elevated federal defence spending. Clients include Melbourne Water, Hydro Tasmania, and major defence contractors such as Hansen Yuncken and Downer.

Finally, Energy & Resources (\$210m, 12-14% CAGR) is experiencing a resurgence in demand, with exposure to Tier 1 miners such as BHP, Rio Tinto, and FMG.

This mix provides Veris with exposure to both long-cycle capital projects and recurring work, helping to smooth revenue volatility and providing multiple avenues for organic growth.

Acquisition target?

Recent M&A activity suggests plenty of interest in companies operating at the intersection of digital infrastructure, asset intelligence and maintenance solutions. Notably, Siemens (SIE-DE, mkt cap €174.3b) acquired Brightly Software in 2022 for US\$1.575b, reflecting a strong premium for providers of asset and maintenance solutions. Brightly's capabilities closely align with the broader industry shift towards digitised infrastructure services – an area where Veris is well positioned.

In 2022, Thoma Bravo acquired NearMap – a previously ASX-listed aerial surveying company – for A\$1.06bn. At time of acquisition, NearMap was generating A\$146m in revenue and \$16.5m in EBITDA, implying 7.2x and 63.9x EV/Revenue and EV/EBITDA multiples, respectively.

Australian-based MEX, a predictive maintenance management platform, was acquired by Boston-based growth equity firm Silversmith Capital partners in 2024, for a deal worth as much as \$125m.

An array of M&A activity in the smaller capture space, digital consulting and niche applications also bodes well for future opportunities. Due to the nature of the industry, and multitude of players, we deem it unlikely that there will be a consolidator in the market, rather strong players with competitive leading solutions will be of interest to large players.

Veris History

The origins of Veris Limited trace back to 2007, when the company was first listed on the ASX as Emerson Stewart Group, a diversified engineering and consulting firm. In 2011, Emerson Stewart merged with OTOC Group, a Western Australian-based construction services business. The merged entity retained the OTOC name, and the Emerson Stewart business subsequently sold, marking the company's pivot toward remote infrastructure delivery, particularly in the WA mining sector.

In the following years, OTOC focused on capitalising on the mining construction boom by offering temporary accommodation, civil construction and electrical services, securing work with Tier 1 clients including Rio Tinto and government infrastructure projects. However, the 2014–2015 mining downturn exposed the volatility of the resources sector, prompting a strategic reassessment of the group's operations.

Beginning in 2014, OTOC initiated a deliberate shift away from cyclical construction activity and towards surveying and geospatial services, executing a roll-up strategy via eight acquisitions totalling ~\$50m between 2014 and 2017. This included leading surveying businesses across Australia, transforming the company into a national provider of spatial data services. The company rebranded as Veris Limited in late 2016.

Post this period, Veris internally developed and launched Aquira Technologies, a digital connectivity and communications solutions business, as part of its push into higher-margin, technology-driven services. An operational review in 2019 ultimately led to the divestment of Elton Consulting to WSP Australia in Nov 2019 (\$13m) and a leadership change (Nov 2019). This was then followed by COVID impacts and broader cost savings (2020–2021) and ultimately the sale of Aquira Technologies to Telstra Purple (\$30m) in Feb 2022. These changes have meant Veris has now emerged as a pure-play spatial data and digital advisory business, focusing on higher-value consulting and advanced data capture technologies.

Figure 27: Major events and the Veris share price (\$ per share)



Source: FactSet, Veritas

Board and Management

Michael Shirley has led the strategic review and operational restructuring since 2019.

Veris Managing Director and CEO Dr Michael Shirley has over 30 years of experience in resources, environment, water, buildings, and infrastructure. Michael was appointed to the role of CEO in October 2019 as part of the company's rebuild. He has since led an operational restructure, cost savings and strategic review to where the business is today. Prior to his appointment, Michael held senior executive roles at Sinclair Knight Merz, Jacobs and most recently Aurecon. Michael currently holds 4.6m in shares (0.9% of total).

Karl Paganin has been involved with Veris for 10 years.

Karl Paganin joined the board as Non-Executive Director in 2015 and was subsequently appointed to Non-Executive Chairman in November 2019. He specialised in transaction structuring, equity capital markets, mergers and acquisitions and strategic management advice to ASX listed companies. Karl has held senior roles across major national law firms as well as in investment banking and equity market roles. He is currently Chairman of Southern Cross Electrical Engineering (SXE-AU). Karl currently holds 20.0m in shares (3.4% of total).

Brian Elton is the founder of Elton Consulting.

Brian Elton is the founder of Elton Consulting that was acquired by Veris in 2018. Following the sale of Elton Consulting to WSP in 2019, Brian became Non-Executive Director and brings over 40 years of experience in advisory services, infrastructure development and urban planning. Brian owns 39.7m shares (7.7% of total).

David Murray has extensive experience in professional services.

David Murray was appointed Non-Executive Director in June 2021. David has over 40 years' experience in professional services, serving as a Deloitte Australia Partner for 26 years incorporating National leadership roles across multiple business units. He is currently Chairman of the Audit and Risk Committee for Veris. David owns 4.0m shares (0.7% of total).

Jason Waller is the nominated Board representative for Veris' largest shareholder, Sherkane.

Jason Waller, Non-Executive Director, has extensive experience in business leadership across technology and digital companies, particularly within the spatial industry. Waller has driven the commercialisation of data analytics products such as Spookfish Limited (SFI-AU, delisted) and IntelliCare Holdings Limited (ICR-AU). He is the nominated Board representative for the largest shareholder Sherkane Pty Ltd, which owns 21.4% of total shares.

Steven Harding (CFO) has held senior roles in advisory service and mid-cap investment banks.

Chief Financial Officer, Steven Harding was also appointed to the role in April 2020 following the management restructure in 2019. Steven has held senior leadership roles with professional services and advisory firms PwC and KPMG as well as senior positions in mid-cap focussed investment banks.

Steady earnings improvements

We view our forecasts as conservative, with potential upside over time.

The completion of a strategic turnaround, shifting of focus into digital platforms and the growing need for operational efficiencies by customers underpins our forecasts for Profit Before Tax increasing from -\$4.7m in FY24 to \$2.0m in FY25 and \$3.1m in FY26.

The key elements to our forecasts are:

Conservative revenue growth: We forecast revenue to grow modestly from \$92.6m in FY24 to \$109.2m in FY27. This represents a CAGR of 5.7%, relatively lower than peers, however we note management's disciplined approach to generating high-margin revenue opportunities as well as potential upside from future acquisitions which have not been forecasted. This revenue growth is supported by an unsecured forward project pipeline of \$195m and secured forward workload of \$62m currently

EBITDA to reach \$12.2m in FY27: EBITDA margins are forecasted to increase conservatively to 11.2% in FY27, in-line with domestic engineering peer median. Improving gross margins from a shift in revenue mix towards digital & spatial and advisory contracts is driving EBITDA margin growth. Relatively flat cost growth is anticipated in FY25, with modest 5-6% cost growth anticipated in FY26 and FY27 to continue growth and expansion. These factors underpin the growth in EBITDA to \$10.0m in FY25, \$11.2m in FY26 and \$12.2m in FY27. This represents a CAGR of 30.3% from FY24 to FY27.

Net profit to rise on margin improvement: We forecast net profit after tax of \$2.0m in FY25 (in-line with guidance provided in July 2025), rising to \$3.1m in FY26 as the company benefits from improved revenue mix and disciplined cost management. The company last reported forward tax losses of \$12.5m at 1H25.

Repayment of borrowings: Management currently carries approximately \$3.7 million in borrowings, classified under corporate borrowings, though the facility is primarily utilised for high-value technical equipment related purposes. Management have historically repaid \$1.0m - \$2.0m in borrowings each financial year, which we have assumed to continue.

Cash balance grows: Since the sale of AQURA in FY22, Veris has maintained a strong cash balance between \$16m and \$19m. We forecast cash to increase from \$16.6m in FY25 to \$24.4m in FY27 due to growth in earnings and generally strong cash conversion. Our forward estimates do not assume any further share buy-backs or dividend payments, despite management indicating an intention to resume both.

Fair value of \$0.15 per share

Our DCF derived fair value is \$0.15 per share.

Our DCF derived value for Veris is \$0.15 per share (Figure 28). The primary assumptions of the DCF include revenue growth fading to 1%, a terminal EBITDA margin of 15% achievable compared to the domestic peer average, terminal capex to depreciation of 1.0x and a WACC of 10%.

Figure 28: DCF valuation for Veris

Year end June	Units	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	TV
Revenue	\$m	97.2	104.0	109.2	113.6	118.1	121.7	125.3	127.8	129.1	130.4	131.7
<i>Revenue growth</i>	%	5.0	7.0	5.0	4.0	4.0	3.0	3.0	2.0	1.0	1.0	1.0
EBITDA	\$m	10.0	11.2	12.2	13.1	14.2	15.8	16.3	16.6	16.8	18.3	19.8
<i>EBITDA margin</i>	%	10.3	10.7	11.2	11.5	12.0	13.0	13.0	13.0	13.0	14.0	15.0
EBIT	\$m	2.6	3.7	4.7	4.3	5.1	6.4	6.6	6.8	6.5	7.8	9.2
<i>Tax rate</i>	%	0.0	0.0	0.0	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5
NOPAT	\$m	2.6	3.7	4.7	3.1	3.7	4.7	4.8	4.9	4.7	5.7	6.7
DA	\$m	7.5	7.5	7.5	8.7	9.1	9.4	9.6	9.8	10.3	10.4	10.5
<i>Margin</i>	%	7.7%	7.2%	6.9%	7.7%	7.7%	7.7%	7.7%	7.7%	8.0%	8.0%	8.0%
Working capital	\$m	-1.9	-0.2	0.7	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0
<i>As % of incremental sales</i>	%	-41.7%	-2.3%	13.7%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Capex	\$m	-0.7	-2.1	-2.3	-4.4	-4.5	-5.6	-6.8	-6.9	-8.3	-10.4	-10.5
<i>Capex/D&A</i>	x	0.1	0.3	0.3	0.5	0.5	0.6	0.7	0.7	0.8	1.0	1.0
FCF	\$m	7.5	8.9	10.7	7.6	8.3	8.5	7.8	7.9	6.8	5.7	6.7
<i>Discount factor</i>	%	91%	83%	75%	68%	62%	56%	51%	47%	42%	39%	
NPV of FCF	\$m	6.8	7.4	8.0	5.2	5.2	4.8	4.0	3.7	2.9	2.2	

Item	Units	Value	Item	Units	Value
NPV of the forecast period	\$m	50.1	WACC	%	10.0
NPV of terminal value	\$m	28.7	Terminal growth	%	1.0
NPV of cash flows	\$m	78.8	Terminal EBITDA margin	%	15.0
Add: net cash	\$m	-0.6	Terminal value nominal	\$m	75
Fair value of equity	\$m	78.2	Terminal EV/EBITDA	x	3.8
Fair value of equity per share	\$ps	0.15	Terminal EV/NOPAT	x	11.2
Share count	m	505.7			

Source: Veritas estimates

A 64% EV/Revenue discount to peers in FY26

Veris trades on a 0.2x EV/Revenue and 1.9x EV/EBITDA multiples in FY26, representing a 624 and 71% discount to peer median respectively.

Veris currently trades on an EV/Revenue multiple of 0.2x in FY26, a 64% discount to the domestic engineering peers (Figure 29). Our fair value of 15c per share puts the stock on an EV/EBITDA multiple of 5.3x in FY27, which remains a 20% discount to peer median.

Many of Veris' key competitors are privately owned meaning direct comparison is difficult to obtain. The closest Australia listed peers; Asset Vision, Remsense, Pointerra3D and Aerometrex also do not have publicly available estimates. This lack of transparent financial data limits the ability to benchmark Veris' valuation and operational metrics directly against its industry peers. However, we view Veris' diversified service offering, established client base across both public and private sectors, and national footprint provide a competitive advantage within the digital spatial and data advisory market.

Figure 29: Veris valuation versus listed peers

Stock	Code	Price LC m	Mkt Cap LC m	EV LC m	EV/Revenue (x)				EV/EBITDA (x)				P/E (x)			
					FY24	FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY27E
Veris Limited	VRS-AU	0.07	35	22	0.2	0.2	0.2	0.2	3.9	2.2	1.9	1.8	N/A	17.2	11.1	8.0
Asset Vision Co Ltd	ASV-AU	0.04	30	29	7.2				65.1							
Pointerra Ltd.	3DP-AU	0.05	39	36	4.8								-6.6			
RemSense Technologies Limited	REM-AU	0.03	6	6	3.5											
Aerometrex Ltd.	AMX-AU	0.21	20	32	1.3				11.1				-10.5			
Capture/Geospatial Peers Median					4.1				38.1				-8.5			
VRS versus average					-94				-90							
Verbrec Ltd	VBC-AU	0.09	27	35	0.4	0.4	0.4	0.3	4.0	5.1	3.6	2.9	5.5	9.4	6.3	4.5
Southern Cross Electrical Engineering	SXE-AU	1.94	512	436	0.8	0.5	0.5		10.1	8.0	6.2		23.6	15.4	11.7	
GR Engineering Services Ltd	GNG-AU	4.27	715	649	1.5	1.5	1.3	1.3	13.0	12.6	11.8	11.4	23.2	22.2	21.6	20.7
Macmahon Holdings Limited	MAH-AU	0.36	776	922	0.5	0.4	0.4	0.3	2.7	2.5	2.4	2.3	8.3	7.3	6.8	6.4
Tasmea Limited	TEA-AU	4.15	1,012	1,053	2.6	2.0	1.5	1.3	17.4	11.5	8.2	7.4	22.6	18.4	13.8	12.3
SRG Global Limited	SRG-AU	1.61	969	984	0.9	0.7	0.7	0.6	10.3	7.8	7.1	6.7	20.8	16.5	15.1	13.8
Australian Engineering Peers Median					0.9	0.6	0.6	0.6	10.2	7.9	6.7	6.7	21.7	15.9	12.8	12.3
VRS versus average					-73	-66	-64	-69	-62	-73	-71	-73		8	-13	-35

Stock	Revenue Growth (%)				EBITDA Margin (%)				EBITDA Growth (%)				EPS Growth (%)			
	FY24	FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY27E
Veris Limited	-8.2	5.0	7.0	5.0	6.0	10.3	10.7	11.2	-44.0	82.2	11.3	9.2	-142.5	55.2	39.1	
Asset Vision Co Ltd	11.4				11.0				-128.3							
Pointerra Ltd.	-9.0				-54.0				-12.8				10.6			
RemSense Technologies Limited	-20.2				-112.7				-31.5							
Aerometrex Ltd.	-2.4				11.7				-88.6				-33.3			
Capture/Geospatial Peers Median	-5.7				-21.5				-60.1				-11.4			
VRS versus average	44				-128				-27							
Verbrec Ltd	-15.1	-8.5	16.7	12.1	9.5	8.2	9.8	11.1	-92.0	-20.9	40.0	26.5	-140.6	-41.2	50.0	40.0
Southern Cross Electrical Engineering	18.8	43.7	18.6		7.8	6.8	7.5		-90.8	26.3	29.4		7.8	53.4	31.0	5.6
GR Engineering Services Ltd	-23.1	4.9	9.0	3.3	11.8	11.6	11.3	11.3	-90.9	3.0	6.6	3.3	8.1	4.5	3.1	4.0
Macmahon Holdings Limited	6.6	19.6	5.0	4.3	16.9	15.4	15.3	15.3	-82.0	9.2	4.2	4.2	35.4	12.4	8.2	5.7
Tasmea Limited	25.0	34.6	32.5	10.5	15.1	17.0	18.1	18.1	-81.1	50.7	41.5	10.5		22.3	33.6	12.0
SRG Global Limited	32.2	23.5	9.2	6.6	9.0	9.6	9.6	9.6	-88.1	32.1	9.1	6.7	14.9	26.4	9.5	9.5
Australian Engineering Peers Median	12.7	21.6	13.0	6.6	10.6	10.6	10.6	11.3	-89.4	17.8	19.3	6.7	8.1	17.4	20.2	7.6
VRS versus average	-165	-77	-46	-24	-44	-2	2	-1	-51	363	-41	36			173	417

Source: FactSet consensus as of market close on 18/8/25, Veritas estimates for Veris.

Note: Veritas currently covers Verbrec (VBC-AU)

Risks

Risks – include (but are not limited to): competition risk, customer concentration risk, project pipeline dependency, cyclical nature of infrastructure investment, acquisition risk, talent retention & labour cost risk, technology disruption & AI risk, cyber security risk, data/software access risk, contract execution risk, personnel risk, regulatory & compliance risk and failure to execute business strategy and growth objectives.

Summary

We rate Veris as a buy:

- The strategic turnaround is complete, management are laser focussed on generating high-margin revenue which is anticipated to drive earnings growth at 10% p.a. on conservative 6% revenue growth through to FY27.
- A strong net cash position gives management optionality for margin accretive M&A, returning capital to shareholders and continuing investment in developing their digital platforms.
- Industry tailwinds in Veris' clients' needs to improve productivity, battling tighter infrastructure margins and safety requirements all bode well for usage of their platforms.
- In a fragmented industry, Veris is one of the few fully-integrated players – a major competitive difference.

Glossary

- ❖ **BIM** (Building Information Modelling) - Digital 3D modelling of infrastructure assets for design, construction, and lifecycle management.
- ❖ **Cadastral** - Relating to land boundaries, titles, and property surveys.
- ❖ **Digital Twin** - Real-time virtual replica of a physical asset for monitoring and optimisation.
- ❖ **GIS** (Geographic Information System) - Software for mapping and analysing spatial data.
- ❖ **GNSS** (Global Navigation Satellite System) - Satellite-based positioning used in precision surveying.
- ❖ **GPR** (Ground Penetrating Radar) - Radar technology used to detect underground utilities and structures.
- ❖ **IoT** (Internet of Things) - Sensor-connected devices enabling real-time data capture and monitoring.
- ❖ **LIDAR** (Light Detection and Ranging) - Laser-based remote sensing for detailed 3D spatial data.
- ❖ **MLS** (Mobile Laser Scanning) - Vehicle-mounted laser scanning for rapid, high-accuracy 3D mapping.
- ❖ **PWA** (Progressive Web App) - Web-based application offering app-like functionality across devices.
- ❖ **QC** (Quality Control) - Processes ensuring data accuracy, consistency, and compliance.
- ❖ **Revit/CAD** - Design and drafting software used in engineering and digital modelling.
- ❖ **UAV** (Unmanned Aerial Vehicle) - Drones used for aerial surveying and data capture.

Disclaimer and Rating Information

RATING

BUY – anticipated stock return is greater than 10%

SELL – anticipated stock return is less than -10%

HOLD – anticipated stock return is between -10% and +10%

SPECULATIVE – high risk with stock price likely to fluctuate by 50% or more.

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