

Veris Ltd – Full Year Results FY23

- Profit before tax of \$1.1m, up from \$0.1m in the pcp, reflecting execution of margin growth and turnaround strategy
- FY23 revenue from continuing operations of \$100.9m, up from \$92.4m in the pcp
- Revenue CAGR of 10.5% p.a. since FY20
- Cash flow from operations of \$8.9m, up 68% on the pcp, demonstrating strong focus on working capital management
- Reinstatement of dividend with declaration of final fully-franked dividend of 0.15cps
- Robust balance sheet with cash and term deposits of \$17.3 million at 30 June 2023
- Strong order book with a secured workload in excess of \$55 million and unsecured project pipeline with a weighted value in excess of \$190 million
- Internal investment in developing and commercialising digital solutions and data-driven analytics continuing to underpin the pivot to a spatial data business
- Actively pursuing M&A opportunities to deliver enhanced shareholder returns through strategy acceleration
- Investor webinar today at 2.00pm (AEDT). Register [HERE](#)

Veris Limited (ASX: VRS) (“Veris” or “the Company”) is pleased to announce its financial results for FY23. The Company’s performance demonstrates growth in key metrics including revenue, earnings, margins and operational cash flow.

Dr Michael Shirley, Managing Director & CEO, commented:

“We are pleased with the continued execution of our strategy which has delivered revenue and earnings growth again in FY23.

“The results are a reflection of our continued strategic progress and we are proud to say we have done what we said we would do. Through continued focus on operational improvements and project management disciplines we have delivered for the first time a profitable result for the core Veris digital and spatial services offering. This has been based on continued year on-year margin growth.

“In doing so, we have maintained a strong capital base which provides a platform for further acceleration of the Company’s strategy in FY24 and beyond.

“Our stated strategy has been to transition our model to be Australia’s leading data-driven digital & spatial services business. A large part of this transition is to do more with the data we capture for our key clients. During FY23 we invested in our internal capabilities and solutions-design with the result being an emerging portfolio of data and digital-based product solutions which are now being commercialised.

“Pleasingly, we have also been able to deliver on our promise of generating returns to shareholders via the declaration of a fully-franked final dividend of 0.15 cents per share which is coupled with the continuation of our on-market share buyback.

“Importantly, maintaining our strong capital base is providing us the ability to assess a range of strategic M&A opportunities which we will continue to actively pursue in the coming period.”

Corporate

41 Bishop Street
Jolimont
WA 6014

T 08 9317 0600
veris.com.au

Veris Australia Pty Ltd
ABN 53 615 735 727

Financial Performance

The Company delivered revenue of \$100.9 million in FY23, representing an increase of 9.2% on the prior corresponding period (pcp) and a compound annual growth rate (CAGR) of 10.5% since FY20.

Underlying profit before tax for the year was \$1.1 million, up from a profit of \$0.1 million the previous year. In contrast to prior periods, the FY23 result does not contain any government grants or one-off gains associated with divestments of group entities and thus represents an underlying profitable result for Veris' core digital and spatial services offering, which continued to demonstrate higher margin returns. PBT before share-based payments expense was \$1.3 million, an increase of \$1.2 million from \$0.1 million in FY22.

Cash Flow and Balance Sheet

Cash flow from operations for the year was \$8.9 million, up 68% from \$5.3 million the previous year, demonstrating the Company's strong focus on working capital management.

As at 30 June 2023, the Company held cash at bank and term deposits of \$17.3m, compared to \$18.2 million the prior year. The strength of the Company's balance sheet has enabled the re-negotiation of key supply arrangements which are expected to continue to deliver cost savings.

The modest drop in cash balance across FY23 was largely the result of in excess of \$0.9 million that was spent in connection with the ongoing on-market share buyback, while a \$0.4 million working capital adjustment settlement was paid to Telstra following the finalisation of the sale of Aqura which was announced in the prior year.

Dividends and Capital Management

Veris is also pleased to announce the reinstatement of dividends, with a final dividend of 0.15 cents per share (cps), reflecting the Company's robust operational performance and strong capital base.

In the second half of FY23, Veris extended its on-market share buyback program, which was initially announced in June 2022. The extension is for up to an additional 10% of the company's shares on issue for a further 12-month period through to June 2024. The Company will continue to assess this initiative against other capital allocation opportunities to enhance shareholder value.

Veris notes that at 30 June 2023 there remains in excess of \$12.7 million of unutilised tax losses for use in future periods as well as in excess of \$5.3 million of franking credits.

Key dates for the final dividend:

Date final dividend was declared	28 August 2023
Record date to determine entitlements to the dividend	19 September 2023
Date the final 2023 dividend is payable	7 November 2023

Delivery of Strategic Priorities

- Significant investment in leading-edge technologies, enabling the Company to rapidly capture high-quality 3D data with unparalleled precision.
- Development of a suite of innovative solutions and services that empower seamless hosting, access, visualisation, analysis and repeat access of spatial data for its clients.
- The Company maintained its focus on key national clients throughout FY23 as part of its Key Account Management program, resulting in a notable rise in Veris' share of revenue and margin growth from these key accounts.
- Veris continued to put in place initiatives to attract and retain the best talent in an industry with a recognised skills shortage.

As previously stated, Veris continues to assess a number of potential corporate opportunities with a focus on those that add either technical capabilities, strategic scale or geographical presence. Veris notes that it is aware of its disclosure obligations and that none of these potential opportunities has to date progressed to require further market disclosure.

Corporate

41 Bishop Street
Jolimont
WA 6014

T 08 9317 0600
veris.com.au

Veris Australia Pty Ltd
ABN 53 615 735 727

Pipeline and outlook

Veris remains well positioned in key markets and has a strong outlook. The Company's secured forward workload is in excess of \$55 million to be executed over the next 12 months, while the unsecured project pipeline is strong and has a weighted value in excess of \$190 million for execution over the next 24 months.

Veris has a strong track record in demonstrating the conversion of its backlog and pipeline to revenue and margin in subsequent periods, providing confidence in the Company's outlook. Despite some economic uncertainty, most of the markets Veris chooses to target are continuing to experience strong levels of investment and growth and have a positive outlook.

Veris will continue to invest in key areas to underpin further growth in strategic target markets and service lines, underpinned by the Company's market-leading digital & spatial technical expertise. The strong financial performance and robust balance sheet provides a platform to further accelerate the execution of this strategy in FY24 and beyond. Integral to this is a continued focus on innovation, excellence and driving operational efficiencies.

**Veris FY22 results relate to the standalone continuing operations of Veris Australia and exclude any impact of the net gain on sale arising from the sale of the Aqura Technologies division that was settled in February 2022.*

– ENDS –

About Veris Limited

Veris Limited is the holding company that is listed on the ASX under the code VRS.

Veris Australia is Australia's leading provider of spatial data services across the infrastructure, property, resources, defence, utilities and government sectors. Veris Australia provides an end-to-end spatial data solution for its clients that not only includes data collection, analysis, interpretation but also data hosting and access, modelling, sharing and insights for clients with large-scale data requirements.

Authorised for release by the Board of Veris Limited.

Issued by Veris Limited
For further information please contact:
Veris Corporate Office - Telephone: (08) 9317 0600