

Acquisition of Spatial Vision to expand digital service offering

The acquisition of Spatial Vision represents another important deliverable in Veris' plans to continue pivoting towards the digital transformation needs of its expanding client base

- Veris to acquire Spatial Vision, a Melbourne-based provider of spatial solutions and GIS services
- The acquisition will significantly bolster and strengthen Veris' existing digital solutions and advisory service offering
- Spatial Vision is expected to generate over \$9m of revenue on an annualised basis. Veris expects the acquisition to be accretive to Veris' performance from FY26
- Expands Veris' reach to key clients across local, state and federal Government agencies
- Strongly aligned to Veris' digital strategy and its continued pivot towards the digital transformation needs of industry and government sectors
- Spatial Vision's skillset and strength of relationships in key local, State and Federal Government sectors complements Veris' national presence and key client focus
- Strong operational and financial synergies with Veris' Digital & Spatial expertise and service offering

Overview

Veris Limited (ASX: VRS) ("Veris"), a leading digital and spatial data advisory and consulting firm, is pleased to announce it has executed a Share Sale Agreement to acquire 100% of Spatial Vision Innovations Pty Ltd ("Spatial Vision"), for an enterprise value of up to \$3.0 million. Completion is subject to a number of conditions precedent which are considered customary for a transaction of this nature and is expected to occur by early March 2025.

Spatial Vision is a Trusted, Long-Standing Spatial Solutions Services Provider

Spatial Vision is a Melbourne-based provider of spatial solutions and GIS services to both Government and the private sector. The acquisition of Spatial Vision will significantly strengthen and diversify Veris' existing broad-based digital solutions and advisory service offering. It will also expand Veris' reach to key clients across Local, State and Federal Government agencies throughout Victoria, New South Wales, Queensland and Western Australia.

Founded in 1999, Spatial Vision is a founder-led company dedicated to addressing spatial, social, and environmental challenges through innovative geospatial solutions and information technology. Spatial Vision's core services include Spatial and GIS Services, Enterprise GIS (encompassing training, product development, and support), and Application Development. With a team of approximately 40 skilled professionals generating over \$9 million of revenue on an annualised basis, Spatial Vision primarily serves government and private sector clients across sectors such as Climate Change, Agriculture, Natural Resource Management, Fisheries, and Marine markets.

Strategic Rationale

The acquisition of Spatial Vision further advances Veris' strategic shift towards a fully integrated digital advisory and consulting model. By integrating Spatial Vision's capabilities in strategic consulting, spatial data analysis, and GIS services, Veris will build on and enhance its existing service offering.

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The spatial data and digital consulting skillsets within Spatial Vision's highly skilled team of 40 professionals will add immediate scale to Veris' existing core strengths within the Digital & Spatial service offering. Further, Spatial Vision's existing work and client base in the Government and environmental sectors are complimentary to Veris' expanding, higher margin, consulting and advisory business, opening up significant complimentary opportunities for growth. More broadly the acquisition aligns with Veris' strategy to deliver bespoke end-to-end spatial data driven solutions for its clients through product innovation and value-added insights.

The acquisition of Spatial Vision provides the opportunity for Veris to realise significant synergies, particularly in the realm of digital solutions. Both companies boast robust GIS service offerings that, when integrated, will enhance the overall service portfolio and deliver greater value and insights to clients. Additionally, Spatial Vision's specialised skillsets, capabilities and services will open new opportunities within Veris' extensive national client base, allowing for earlier-stage engagements and advisory roles. This strategic alignment not only strengthens the market position of Veris but will also broaden its capabilities and capacity and will enable Veris to better meet the evolving needs of its clients.

Furthermore, the operational and financial synergies of this acquisition are expected to be significant. The addition of the Spatial Vision team is expected to be earnings accretive from FY26. The integration of both companies' Digital & Spatial and GIS teams will enhance their ability to develop more advanced digital solutions. This collaboration will also streamline the implementation process, including testing and development, ensuring that clients receive cutting-edge, value-added insights and services. Additionally, there are a number of cost synergies that have been identified which are expected to be crystallised in the coming 12 months post-integration.

Transaction Details

Veris will pay the vendors of Spatial Vision a mix of cash and scrip consideration of up to \$3.0 million on an enterprise and debt-free basis.

Further details on the terms of the transaction are set out in the Appendix. Subject to the conditions precedent being satisfied, the transaction is expected to be completed by early March 2025.

Cash payments to the vendors will be funded through existing cash reserves and operating cash flows post-transaction and Veris shares will be issued pursuant to Veris' ASX Listing Rule 7.1 placement capacity. Shareholder approval for the proposed transaction is not required.

Dr Michael Shirley, Managing Director and CEO of Veris commented

"We are thrilled to welcome the Spatial Vision team into the Veris family. This acquisition is a strategic step forward in our strategy to provide unparalleled digital solutions, consulting and advisory services. By integrating Spatial Vision's spatial and GIS capabilities with our existing expertise and skillsets we are set to deliver even greater value to our clients and drive innovation in the delivery of spatial data-based digital solutions."

"The acquisition aligns perfectly with our digital strategy. In addition, Spatial Vision's established relationships with local, state, and federal government agencies will open new avenues for collaboration and growth. We welcome the ongoing commitment of Ian, Stephen and John as founders of Spatial Vision and their team to our group. Together, we will create a powerhouse of innovative digital solutions, ready to meet the evolving needs of our clients".

Authorised for release by the Board of Veris Limited.

This announcement ends the trading halt in Veris shares.

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About Veris Limited

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

Veris Limited (ASX:VRS), is a fully integrated digital advisory and consulting firm. It provides end-to-end spatial data and digital solutions to tier-1 clients in key industry sectors including Transport, Buildings & Property, Energy & Resources, Defence, Utilities and Government. The company has a national footprint, with a diverse geographic spread of offices, servicing major metropolitan and regional centers across Australia.

The Veris end-to-end service offering unlocks the digital transformation needs of industry, spanning spatial data collection, hosting, sharing, analytics, insights and modelling for clients with large-scale data requirements, through to survey, planning, consulting and advisory services.

Issued by Veris Limited
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Appendix – Acquisition Terms

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<p>Acquisition, Conditions Precedent and Timing</p>	<ul style="list-style-type: none"> • Acquisition of 100% of the issued shares of Spatial Vision Innovations Pty Ltd • Completion is subject to the achievement of conditions precedent customary for a transaction of this nature (including third party approvals, entry into new employment agreements with key employee vendors and retention of existing employees) to be waived or satisfied by 31 March 2025 • Completion expected to occur by early March 2025
<p>Consideration</p>	<p>Up to a total of \$3.0 million payable as follows:</p> <ol style="list-style-type: none"> 1. Initial consideration to be paid at settlement: <ul style="list-style-type: none"> • \$1.5 million in cash subject to customary net cash/debt and working capital adjustments; and • \$0.5 million in Veris shares to be determined based on an issue price of the higher of the 20-day VWAP prior to the date of issue and \$0.03 per share. VRS shares issued at settlement will be subject to 12 months voluntary escrow. 2. Milestone consideration payments as follows: <ol style="list-style-type: none"> 1. \$0.5 million subject to achievement of FY26 Milestone Hurdle 2. \$0.5 million subject to achievement of FY27 Milestone Hurdle <p>The Milestone Hurdles for each Spatial Vision shareholder that is also a key employee of Spatial Vision are:</p> <ul style="list-style-type: none"> ○ continued employment within the Veris group; ○ meeting agreed key performance indicators; and ○ work procured by the vendors to be completed by the Veris group is not less than \$9,000,000, <p>during the relevant Milestone FY.</p> <p>One of the Spatial Vision shareholders is no longer an employee of Spatial Vision and his share of the Milestone Payment (20%) will be guaranteed.</p> <p>Where the Milestone Hurdles are achieved for a Milestone FY, the Milestone Payment will be made following release of Veris’ annual report for the relevant FY as follows:</p> <ul style="list-style-type: none"> • \$375,000 in cash; and • \$125,000 in Veris shares to be determined based on an issue price of the highest of the 20-day VWAP prior to the date of issue and \$0.03 per share. Veris shares issued as part of the Milestone Payments will be subject to 6 months voluntary escrow. <p>Initial consideration and the right to receive the Milestone Payments will be split proportionally in accordance with the respective shareholding % of the Spatial Vision shareholders.</p>

	<p>The Veris shares issued to the Spatial Vision shareholders will be pursuant to Veris' ASX Listing Rule 7.1 placement capacity. Given the floor price of \$0.03, the maximum number of Veris shares to be issued as initial consideration is 16,666,667 and the maximum number of shares to be issued for each Milestone Payment is 4,166,667.</p>
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