veris

Annual Report 2024

A trusted, leading provider
of spatial data services

Acknowledgment of Country

In the spirit of reconciliation Veris Limited acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

Contents

Veris is Australia's trusted, leading provider of spatial data services.

About Us

With over 450 people and 15 office locations across Australia, we combine national strength with local knowledge and expertise to ensure the best outcomes for our clients.

We provide our services to both private and public sector clients across the infrastructure, property, resources, utilities, Government and Defence sectors. Our impressive client list includes Australia's premier property groups such as Stockland, Mirvac and Lendlease, blue chip mining companies such as BHP and Rio Tinto, as well as a host of major Engineering consultancies, Tier 1 contractors and Government agencies.

Our diverse geographical spread includes offices and extensive operations in Victoria, New South Wales, Australian Capital Territory, Tasmania, Queensland, South Australia and Western Australia. Our presence in both the major metropolitan areas and regional centres of most major States and Territories enables our clients to benefit from our local presence and national reach.

Our commitment to Indigenous Participation is demonstrated though our initial Reconciliation Action Plan, Veris Reflect, and our Alliance with Wumara Group - a majority Indigenous owned land and construction surveying company.

We operate under an accredited Health, Safety, Environment and Quality (HSEQ) management system that is certified to the highest international standards including ISO 9001, ISO 45001 and ISO 14001.

Our Values

Working Safely

Safety, health, and well being underpins all we do. No compromise on taking the safest way to perform our work. We individually and collectively commit to keeping everyone at Veris safe.

Doing The Right Thing

Operating with integrity and authenticity building trust internally and externally.

Delivering Our Best

Delivery excellence in every thing we do. Providing clients with our collective expertise and adding value to their projects.

Working Together

Collaboration / Teamwork / Connection with each other in our teams, across teams and with our clients and communities.

Finding Solutions

Innovation, thinking outside the box and focusing on what our clients need. Continually improving and looking for the best outcome.

Karl Paganin, Non-Executive Chairman

Chairman's Report

I am pleased to provide the Chairman"s report for the Veris Limited ("Veris" or "the Company") Annual Report for the 2024 Financial Year (FY24).

It has been a challenging year for the Company as a result of adverse market conditions and one-off external challenges. Veris has acted proactively to manage these impacts and position the business for future success aligned to its strategy. As a result the Veris balance sheet, cash reserves and order book remain robust.

The challenging conditions resulted in FY24 revenues of $92.6 million, down 8.2% from the previous corresponding period (pcp) and an underlying loss before tax of $1.8 million and a statutory loss after tax of $4.7 million. The statutory result included a number of one-off restructuring costs and non-cash impairments in totalling excess of $3.0 million. Importantly the Company's balance sheet remains robust despite the slippage in reported profitability over the past year, with cash at hand as at end-FY24 totalling $16.1 million.

The robust cash position has enabled the Board to extend the on-market Share Buyback for a further 12 month period. This is a key component of the Company's capital management strategy.

The Board and Senior Leadership Team have been proactively managing the challenging conditions in FY24, acting prudently to manage costs whilst preserving Veris' strong capital management position. As a result, the Company undertook restructuring initiatives to reduce headcount, reduce costs and right-size the business for future opportunities. In Q4, the Company also implemented a company-wide restructure to establish a fully national operating model. This significant change is part of the ongoing evolution of the business and aligns Veris to a professional services structure where specialist skillsets can be deployed nationally at scale to meet the needs of industries and clients.

In last year's Annual Report, I highlighted that Veris would be focused on accelerating the commercialisation of its suite of digital solutions, leveraging its inhouse skillsets and data capture/ hosting capabilities. It is extremely pleasing to see the Company achieve some significant milestones in this area as part of its digital strategy. The business has now successfully rolled out a number of digital solutions to market. This includes cloud-based, data visualisation and analytics platforms, as well as high value spatial consultancy services, that help our clients better manage their assets and projects. These types of digital solutions leverage not only our market-leading skillsets in the collection of data but also our unique capabilities to unlock its wider application and value for our clients. Encouragingly, the Digital & Spatial service line revenue continues to increase as a share of Veris revenue.

I also stated that another focus in FY24 for the Company would be strengthening relationships with large-scale national and regionally significant key clients who see the value in Veris solving their asset-based and data-related challenges. During the year we continued the pivot away from smaller clients and less attractive markets in favour of delivering this type of high margin work aligned to key clients. This has seen Veris provide high value consultancy services across multiple industry and governments sectors, acting as a trusted advisor for digital transformation initiatives.

Whilst it was pleasing to see Veris achieving some significant milestones and executing on strategy, adverse market conditions in some of Veris' key geographic markets and multiple one-off, external factors impacted performance. These included:

- Victoria-specific challenges including government budgetary pressures impacting large-scale infrastructure project commencements, and significantly increased industrial action across a range of project sites impacting site access and the cost of delivery of ongoing projects;
- Delays in NSW government sponsored infrastructure projects in metropolitan and regional NSW;
- Resourcing constraints and operational disruptions in the Queensland operation; and
- Broader inflationary cost pressures experienced across the sector impacting the competitive landscape and project economics.

In FY24 Veris has maintained its strong collaboration with Wumara Group, a majority Indigenous-owned land and construction surveying company in which Veris holds a 49% stake. This partnership, in line with our Reconciliation Action Plan, has yielded several success stories. These include the Indigenous Surveyor Employment Pathway Program, the effective teamwork between Veris and Wumara on significant projects, the expansion of Wumara's business, and the enhancement of cultural awareness and education within Veris.

During the year, Ms Tracey Gosling stepped down from her role as Non-Executive Director at Veris due to her increasing workload and travel commitments arising from her executive career and other business interests. On behalf of the Board, I would like to acknowledge Tracey's insights and especially her contribution to the ongoing commercialisation of the Company's digital strategy.

Reflecting on the year that was, the decisive actions taken by the Company:

- Highlights Veris' commitment to delivery of operational efficiencies across its business.
- Dovetails into the Company's digital strategy, which continues to make strong progress.
- Supports the Company's deliberate pivot into higher margin consultancy and strategic advisory services that meet the digital transformation needs of industry.

On behalf of the Board, I would like to express my sincere appreciation to all Veris shareholders, clients, and stakeholders for your continued support. As we look forward to the opportunities ahead, Veris is committed to delivering innovative solutions, sustained profitability and enhancing shareholder value.

I would also like to recognise the Senior Leadership Team and employees across the Company. The Board recognises that people are at the heart of everything Veris does, and their commitment, knowledge and expertise is what drive's the Company's success.

Karl Paganin
Non-Executive Chairman


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Surveying
Digital & Spatial
Planning

Michael Shirley, MD & CEO

Managing Director & Chief Executive Officer's Report

In the 2024 Financial Year (FY24), Veris responded quickly and decisively to challenging market conditions. We have continued to make significant strides in executing our strategy and delivering operational improvements. As a Company, we remain committed to building on the strong foundation established over the past three years, where we have delivered a significant turnaround that has reshaped Veris into a sustainable business.

To respond to the challenges throughout the year, the business has taken proactive, clear and decisive steps aligned to our strategy. We made the correct, yet difficult, decisions to implement hard and deep cuts within the business through restructuring initiatives in H1 and H2. This involved right sizing a number of our business units, reducing headcount and establishing a business structure that efficiently leverages the national operating platform of Veris. These changes will facilitate best practice in project delivery, service innovation and deliver cost efficiencies. During the year we also executed our move away from legacy, lower margin projects towards higher margin work with key clients. These changes represent a significant operational shift within the business that in combination with our digital strategy is intended to address market challenges and improve performance.

Veris made strong, demonstrated progress in advancing our digital strategy as we continue our pivot towards the growing digital transformation needs of industry. In FY24 we successfully commercialised several solutions that enhance our clients' ability to access, share, model, and gain insights from spatial data. These solutions have been deployed across a number of key clients and projects, showcasing their effectiveness. Additionally, Veris led a consortium that has been appointed as the Digital Twin Victoria Innovation partner, underscoring our growing capabilities in consulting and the emerging digital twin landscape. Notably, the share of revenue from our Digital & Spatial service line has grown to 17%, and achieved gross margin per hour growth of 20% across FY24, reflecting the strong progress in the digital strategy. The progress is a clear demonstration that our digital strategy is working.

Looking ahead we are accelerating our strategy towards positioning Veris as a fully integrated digital and spatial data advisory and consulting firm. We are adopting a digital-first approach to our ways of working to unlock the value of data and digital solutions for our clients. In addition, our depth of multi-disciplinary expertise, which also extends to planning, urban design and digital urbanism, positions Veris differently to our competitors and with a real strength in spatial consulting. Delivering value-added, multi-disciplinary consultancy services across the lifecycle of projects, that provide higher margins is very much a focus for the business.

Our FY24 performance though was impacted by a series of external, one-off challenges including:

- Victorian Government budgetary pressures, leading to embedded economic uncertainty, the cancellation of the 2026 Commonwealth Games and a significant reduction in public and private spending on infrastructure and other initiatives.
- Well-publicised industrial relations and union presence factors impacting work practices in Victoria. This resulted in surveyors being forced to stop work or denied entry to major construction projects for extended periods throughout FY24, meaning Veris had to exit large sections of this industry.
- Delays, reassessment and in some cases cessation of multiple major projects previously planned by Australia's Federal, State and Territory Governments as they reassessed their infrastructure spending programs, which have in turn adversely impacted economic confidence and increased competition.
- Resourcing constraints and operational disruption in Veris' Queensland operating division, with initial impacts to the Company's core service offering to the Property market sector.
- Legacy operational costs and, in some cases, an inflationary economic environment that has eroded margin performance on some project work.

During the year Veris continued to implement initiatives that promote and encourage a culture where our employees take a proactive approach to health and safety. It was encouraging to see the response of our people to safety in our most recent Employee Engagement Survey. One key finding is that safety emerged as a clear area of strength for Veris as rated by our people. This demonstrates our ongoing efforts to prioritise the health and safety of our employees, and it shows me that we are on the right track in this regard.

Financial Performance

Veris' FY24 financial performance has been impacted by the above-mentioned mix of adverse market conditions and one-off external challenges. This has resulted in FY24 revenues of $92.6 million, down 8.2% from the previous corresponding period (pcp) and a statutory loss after tax of $4.7 million. The statutory bottom-line loss included a number of one-off, non-cash impairments over the course of the year. In total, the Company incurred one-off costs circa $3.0 million including:

- A Southbank office-related lease asset impairment ($1.5m).
- Derecognition of deferred tax assets ($0.3m).
- Some restructuring and one-off charges ($1.13m).

As a result of the rightsizing and restructuring initiatives undertaken by the Company, headcount has been reduced by approximately 100 people (FY24-on-FY23 basis). This headcount reduction has resulted from a combination of:

- some project-specific staff departures following the conclusion of project commitments;
- desired attrition/ managed departures of permanent staff; and
- restructuring-related redundancies.

The Company's balance sheet remains robust with cash at hand as at end-FY24 totalling $16.1m.

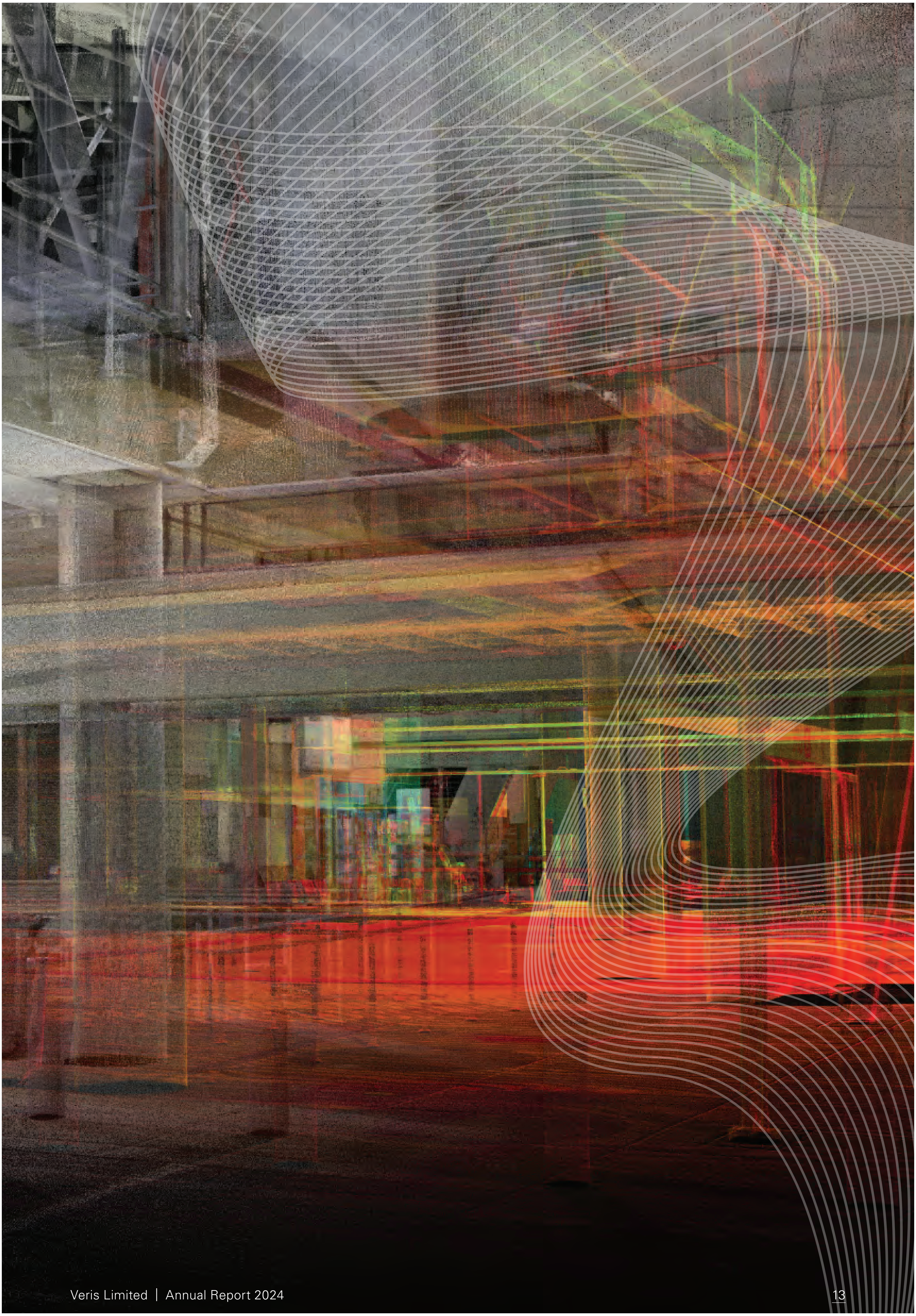
Digital strategy execution

In FY24, Veris continued to pivot 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 our capability to collect, hold, understand and do more with the data to unlock its true value for our clients. During the year we took clear steps in the delivery of our Digital Strategy including:

- Investing in ongoing product development for Veris; including Veris' own digital solutions including AI, analytics, configurability and data hosting capability;
- Acquisition of aligned skill sets and technical expertise;
- Expansion of value proposition to clients via the integration of consulting, data and digital solutions; and
- An ongoing investment in the application and optimisation of leading-edge data capture technology.

This also resulted in the business achieving some significant milestones including:

- Release of the RoadSiDe platform to the market: Veris' own cloud-based spatial data and analytics platform for road condition assessment has been delivered to a number of key clients including Government agencies as well as for a major energy transmission project.
- Successful launch of Digital Solutions consulting: Our expertise in spatial data, analytics, GIS and Digital Engineering has seen Veris engaged to provide high value consultancy services to key clients across the Utilities, Transport and Government industries, acting as a trusted advisor for digital transformation initiatives.
- Key contract wins for Digital Twins/Monitoring/ IoT projects. Veris has been able to secure project wins that bring together our domain expertise in spatial data collection, 3D modelling, and automated monitoring in a growing segment of the market.



- Ongoing market penetration with 3SiDE and Vantage: we continued to deploy Veris' other digital platforms across a range of projects and industries. Additional functionality and automation has been built to meet the needs of our clients.
- The Digital & Spatial service line now representing approximately 17% of revenue.
- The Digital & Spatial service line achieving gross margin per hour growth of 20% across FY24.

Digital strategy in action

Cardinia Shire Council Road Strategic Sealed Roads program

An innovative digital solution by our team was instrumental in the adoption of sustainable road construction practices by the Cardinia Shire Council. By deploying the latest 3D Ground Penetrating Radar (3D GPR) technology in combination with mobile laser scanning, our team was able to identify tree root systems and accurately capture the road corridor in 3D. This enabled the Council to identify impacted tree roots and adjust the road design to save over 300 trees from removal. This innovative approach resulted in reduced environmental impacts, enhanced community engagement and reduced construction costs. The project has been the recipient of multiple awards from Institute of Public Works Engineering Australasia (IPWEA) and the Geospatial Council of Australia (GCA).

Digital Twin Victoria program

A Veris-led consortium was one of three new partnerships announced by Digital Twin Victoria (DTV). The ten-member consortium led by Veris joins as a major development partner, bringing significant geospatial and 3D domain expertise. This and other new partnerships announced to expand DTV's collaborative network mark the next phase in DTV's delivery of a digital twin of the state and build upon the platform's strong foundations. The collaborations will support a robust platform and the continued development of customer-led extensions and innovative tools that support sustainable urban planning, enhanced infrastructure management and improved public services, and reinforce Victoria's position as a leader in digital innovation.

Digital Engineering Roadmap, Queensland

Veris was selected to provide consultancy services to support the development of a Digital Strategy and Digital Engineering Roadmap for a Queensland company with a large geographic spread and diverse asset base. Our team are working with the client on a roadmap and program of activities to uplift and embed Digital Engineering practices. So far, a comprehensive roadmap has been delivered, and work has commenced on the next stage of specification and standard development, with a focus on supporting a significant capital works program.

Health and Safety

Throughout the year, we have consistently enhanced our safety culture and initiatives to ensure everyone's wellbeing. We announced the inaugural winner of our new Working Safely Award, Izac Anderson, a Senior Surveyor in our Melbourne team who consistently demonstrated a safety-first attitude. Izac always offers positive insights and engagement that has in turn, encouraged others to be more actively engaged. He sets an exemplary standard and was also personally recognised by our client. It was pleasing to see the success of the award program with so many individual nominations across the year also recognised for their tireless focus to keep themselves and others safe.

We also launched a new safety campaign, 'One Safe Step at a Time' which is aimed at exploring more effective ways to manage hazards and risks within our team's working environments. The campaign encourages our people to take things one step at a time, be present and realise the work we do today can have an impact on how we enjoy life tomorrow. During the year we also increased the number of employees on the internal Health and Safety Representative team, which has strengthened our communication and consultation process within the business.

It was especially heartening to see our people's response to safety in our most recent Employee Engagement Survey – 'The Way We Work'. One key finding revealed that safety stood out as a significant strength for Veris as rated by our employees. This underscores our continuous commitment to prioritizing their health and safety, and reassures me that we are on the right path.

People and Culture

At Veris our people are our greatest asset, and we are committed to fostering a supportive and inclusive environment. One of our flagship initiatives, the award-winning Young Professionals Program, demonstrates this commitment. Over a 12-month period, this program provides graduates with comprehensive exposure to all areas of our industry. This year, we welcomed 11 new participants into the program. In an industry facing a recognised skills shortage, programs like these are essential for cultivating the next generation of talent. Notably, we achieved a 45% female participation rate, marking another important step toward addressing the underrepresentation of women in our field.

Our efforts to promote an inclusive culture were further highlighted by a series of Diversity and Inclusion initiatives. This included our participation in 'Wear it Purple Day' and 'International Women's Day', where Veris hosted a panel discussion featuring female leaders from industry. These events not only

raise awareness and celebrate diversity but also foster a sense of belonging and community among our employees.

The Veris Employee Engagement Survey called 'The Way We Work' was rolled out for the second time during the year. The survey is an invaluable tool for our people to let us know what it is like working for Veris. The results of the survey will assist us in gaining a better understanding of our strengths and the areas in which we can improve. It was extremely encouraging to see our people are proud of the work they are doing and feel a sense of purpose in their role and how they bring value into the business.

Attracting and retaining top talent remains a strategic priority for Veris. We continue to implement strategies designed to attract and retain the best talent, ensuring that Veris remains a great place to work.

Indigenous Participation

Veris continues to work closely with our alliance partner Wumara Group. One of the first initiatives delivered by the alliance to help close the gap between Indigenous and non-Indigenous Australians was the award-winning Indigenous Surveyor Employment Pathway Program. Established in a collaboration between Veris, Wumara Group, TAFE NSW and the Yarpa NSW Indigenous Business & Employment Hub, the Program consists of a combination of study and fieldwork to provide participants with exposure to what it is like to be a surveyor, as well as the foundational skills to start their career in the industry.

The alliance has been part of the commitment to Indigenous Participation on a number of major transport infrastructure projects. On Transport for NSW's M6 Stage 1 project, the alliance has been able to contribute to Aboriginal and Torres Strait Islander suppliers, businesses and employment targets, with Indigenous Surveyors and trainees being engaged on the project.

Within the Veris business we also continue to build awareness and recognition of the history, culture and achievements of Aboriginal and Torres Strait Islander peoples in line with our Reconciliation Action Plan. Further to this, we have worked with Wumara to enhance cultural learning within Veris, hosting a number of webinars and sessions on culturally significant days to promote greater cultural awareness.

Award winning projects

Earning industry accolades highlights Veris' exceptional expertise and capabilities, reinforcing our status as a leader in the industry. Across FY24 the expertise of our people in applying innovative technology to provide solutions for our clients was once again recognised with industry awards.

- Geospatial Enablement Award for the Hobart Rivulet Digital Twin project – Geospatial Excellence Awards, Tasmania.
- Technical Excellence Award for the North-West Coast Underwater Bridge Inspections Project – Geospatial Excellence Awards, Tasmania.
- Technical Excellence Award for the M6 Stage 1 project - Asia-Pacific Geospatial Excellence Awards, New South Wales.
- Community Impact Award for the Cardinia Shire Council Road Upgrade Project – Geospatial Excellence Awards (APSEA) Victoria.
- Excellence in Project Innovation Award for the Cardinia Shire Council Road Upgrade Project - Institute of Public Works Engineering Australasia (IPWEA) Excellence Awards, National.

Pipeline and Outlook

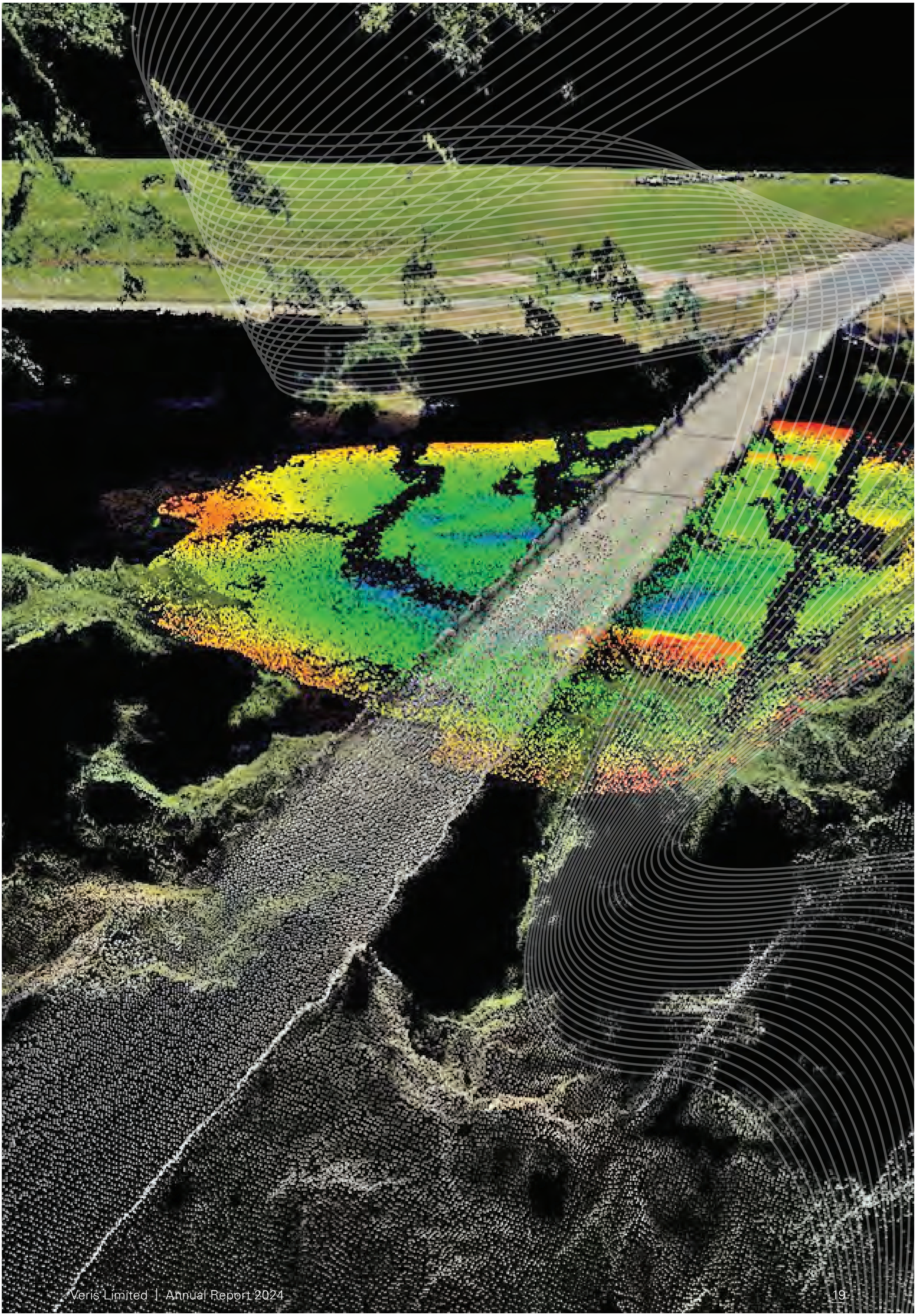
The Company's secured forward workload remained stable and in excess of $55 million at 30 June 2024 (to be executed over the next 12 months). The Company also had in place a stable, unsecured project pipeline with a weighted value of $190m over the next 24 months.

Looking ahead, Veris is now appropriately aligned to the emerging and growing data and digital transformation needs of industry across multiple sectors. This has the Company well-placed to provide digital solutions, including the development of bespoke spatial data platforms that support data hosting, analytics, AI and insights, services that are currently in high demand, and are expected to remain so in the future. Additionally, as experts in all aspects of spatial data, the Company's multidisciplinary team and skillsets are uniquely positioned to deliver high-value spatial consulting and advisory services for their clients' most complex problems. This also incorporates Veris' market leading offering for digital twins, digital transformation strategies, and digital urbanism.

As the company continues its pivot away from low margin projects towards this type of specialist high value work with key clients, the Company expects to see a future reduction in overall revenue but complemented by a net growth in margin and improved operating performance.

In conclusion, I extend my gratitude and thanks to the Senior Leadership Team, the Board, and every dedicated member of our team for their commitment over the past year. Together, we are accelerating the Company towards becoming a fully-integrated digital and spatial data advisory firm delivering sustainable returns.

Michael Shirley
Managing Director & CEO

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Health, Safety, Environment & Quality

We built on and increased our Health and Safety Representative team, which has strengthened our communication and consultation process within the business.

Health and Safety

The safety of our people and a commitment to zero harm are values that are revered throughout Veris and on every project. We promote and encourage a culture where our employees are proactively maintaining a safe and healthy workplace including active promotion of safe work practices by adhering to relevant legislation, standards and best practice that impact on our operation, our client's operation and work environment in general.

FY24 TRIFR

(Total Recordable Injury Frequency Rate)

12.18

FY24 LTIFR

(Lost Time Injury Frequency Rate)

9.75

Environment

Veris and our staff are committed to minimising the impact on the environment through the development of systems and processes to ensure that all practises that have a potential to impact the environment are considered and appropriate controls are implemented to reduce the risk. Veris continues promoting a culture of environmental awareness for the sustainability of future generations.

Quality

Veris and its employees are dedicated to the application of our quality processes and systems which govern all business operations. Veris is committed to providing quality work to a quality standard which achieves high levels of client satisfaction.

Veris operates under an accredited Health, Safety, Environment and Quality (HSEQ) management system that is certified to the highest international standards.


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Financial Reports

Directors' Report

For the year ended 30 June 2024

Your Directors present their report together with the consolidated financial statements of Veris Limited ABN 80 122 958 178 ("Veris" or "the Company") and the entities it controlled (together referred to as ''the Group'') at the end of, or during, the year ended 30 June 2024.

Information on Directors

Directors of the Company during the financial year ended 30 June 2024 and up to the date of this report are as follows:

Name	Role	Period of Directorship
Karl Paganin	Independent Non-Executive Chairman Independent Non-Executive Director	Appointed 25 November 2019 Appointed 19 October 2015
Michael Shirley	Managing Director & CEO	Appointed 1 June 2022
Brian Elton	Non-Executive Director	Appointed 21 November 2019
David Murray	Independent Non-Executive Director	Appointed 1 June 2021
Tracey Gosling	Independent Non-Executive Director	Appointed 1 April 2022 Resigned 31 May 2024
Jason Waller	Non-Executive Director	Appointed 21 August 2024

The experience, other directorships or special responsibilities of the directors in office at the date of this report are as follows:

Karl Paganin - Independent Non-Executive Chairman

Experience

Mr Karl Paganin has over 25 years senior experience in Investment Banking. He specialises in transaction structuring, equity capital markets, mergers and acquisitions and strategic management advice to ASX listed companies. He has also been, and continues to be, a non-executive director of ASX listed companies.

Mr Paganin practised with major national law firms and was then appointed as Senior Legal Counsel for the family company of the Holmes a Court family, Heytesbury Holdings Pty Ltd, where he spent 11 years. His roles varied from Senior Legal Counsel to Director of Major Projects, a role which involved having conduct of all major transactions within the Group.

Subsequent to Heytesbury, Mr Paganin spent 15 years as a senior investment banker in Perth. In 2002, he joined the Perth based Euroz Securities and established its Corporate Finance Department. In 2010, he established and was Managing Director of GMP Australia Pty Ltd, an affiliate of a Canadian resources focused specialist investment bank.

Mr Paganin holds degrees in Law (B.Juris, LLB) and Arts (BA) from the University of Western Australia.

Mr Paganin is currently Chairman of ASX listed Southern Cross Electrical Engineering Limited. Mr Paganin was also a founding director of Spectrum Space (formally Autism West) a not-for-profit charity focusing on providing opportunities for adolescents on the Autism Spectrum.

Special Responsibilities

Member of the Remuneration and Nomination Committee (appointed 24 June 2020)
Member of the Audit and Risk Committee

Current directorships

Southern Cross Electrical Engineering Ltd
(June 2015 – current)

Other listed company directorships within last 3 years

None

Interests in Shares of Veris Limited

19,521,494 fully paid ordinary shares

Information on Directors (continued)

Dr Michael Shirley - Managing Director & CEO

Experience

Dr Michael Shirley has over 30 years of industry experience, leading and engaging complex teams whilst delivering business growth and strong commercial outcomes.

Dr Shirley has worked across the natural resources, environment, water, buildings and infrastructure sectors across Australia and globally.

Dr Shirley has held senior executive roles for leading organisations including Sinclair Knight Merz, Jacobs and most recently Aurecon where he was the Managing Director Clients. Michael has a demonstrated track record of strategic and operational leadership, delivering outstanding long-term business growth.

Special Responsibilities

Chairman of the Health, Safety, Environment and Quality Committee (appointed 15 May 2020)
Member of the Remuneration and Nomination Committee (appointed 30 June 2021)

Current directorships

None

Other listed company directorships within last 3 years

None

Interests in Shares of Veris Limited

4,573,353 fully paid ordinary shares

Brian Elton - Non-Executive Director

Experience

Mr Brian Elton is the founder of Elton Consulting. Mr Elton joined the Veris Board as an Executive Director in March 2018 when Elton Consulting was acquired by Veris. Following the sale of Elton Consulting in November 2019, Mr Elton became a Non-Executive Director. He has extensive experience in developing successful professional services businesses, and an in-depth knowledge of east coast development and infrastructure sectors. He has an extensive network of contacts and clients in government, the not-for-profit sector and Tier 1 private sector organisations.

Mr Elton has over 40 years of experience in urban and regional planning in the UK and Australia focusing on urban strategy, urban policy and governance and the delivery of major projects.

Mr Elton is a Fellow of the Planning Institute of Australia and a Member of the Australian Institute of Company Directors. His affiliations include the International Association of Public Participation, Green Building Council of Australia and the Urban Development Institute of Australia.

Special Responsibilities

Chairman of the Remuneration and Nomination Committee (appointed 24 June 2020)
Member of the Health, Safety, Environment and Quality Committee

Current directorships

EMFOX Pty Ltd - Trading as the Wumara Group
(July 2021 – current)
Ozfish Unlimited (July 2022 - current)

Other listed company directorships within last 3 years

None

Interests in Shares of Veris Limited

39,747,150 fully paid ordinary shares

Information on Directors (continued)

David Murray - Independent Non-Executive Director

Experience

Mr David Murray has over 40 years' experience in professional services, providing a unique combination of global, regional, commercial and industry skills to the Veris Board. Mr Murray was a Deloitte Australia Partner for 26 years incorporating leadership roles across the business including the National Executive, Business Unit Leader, Papua New Guinea Office Managing Partner and other National leadership roles and responsibilities.

Mr Murray's experience includes Board membership of a global insurance entity where he also chaired the Audit and Risk Committee of that entity. He is also Deputy Chair of a local not-for-profit organisation. Mr Murray is a member of the Institute of Chartered Accountants Australia & New Zealand and a Member of the Australian Institute of Company Directors.

Special Responsibilities

Chairman of the Audit and Risk Committee

Current directorships

None

Other listed company directorships within last 3 years

None

Interests in Shares of Veris Limited

4,000,000 fully paid ordinary shares

Tracey Gosling - Independent Non-Executive Director (resigned 31 May 2024)

Experience

Ms Tracey Gosling is an accomplished and adaptive senior leader with deep experience in formulating and refining growth plans centred on the transformation of businesses and the commercialisation of digital and data strategies. Ms Gosling has broad executive experience across a range of sectors including Public Sector, IT, telecommunications, transport, built environment and professional services.

Ms Gosling has served previously on the Geoscape Board and Investment Committee for 2.5 years. Ms Gosling is also a member of the Australian Institute of Company Directors GAICD. Her experience launching new digital and data services across Australia including some pioneering services, extends over some 15 years.

Special Responsibilities (resigned 31 May 2024)

Member of the Health, Safety, Environment and Quality Committee

Current directorships

Gosling Innovation Group (2016 – June 2023)
Night Sky Pty Ltd (2021 – current)

Other listed company directorships within last 3 years

None

Interests in Shares of Veris Limited

128,205 fully paid ordinary shares

Information on Directors (continued)

Jason Waller - Non-Executive Director (appointed 21 August 2024)

Experience

Mr Jason Waller is a highly experienced business leader and brings significant leadership and accomplishments in the scaling and growth of technology and digital companies, including experience in the spatial industry.

Mr Waller has also driven the commercialisation of data analytics, technologies, AI/IoT and SaaS products which include Spookfish Ltd (ASX:SFI) SmartCTY Pty Ltd and InteliCare Holdings Ltd (ASX:ICR), which are especially relevant to Veris' digital strategy. His corporate and operational experience also includes senior leadership roles at General Electric and Aurizon.

Mr Waller previously served extensively in the Australian Defence Forces and is a recipient of the Conspicuous Service Cross (CSC), 2009 Australia Day Honours list. His strong background in Defence is also well aligned to support the growing Veris service offering to this industry sector.

Mr Waller is an Advisory Board Member for Black Nora Venture Capital, and a Non-Executive Director of Spinifex Brewery Ltd.

Current directorships

Spinifex Brewery Pty Ltd (appointed October 2023)

Other listed company directorships within last 3 years

InteliCare Holdings Ltd (resigned April 2022)

Interests in Shares of Veris Limited

Nil.

Information on Company Secretary

Steven Harding – Chief Financial Officer and Company Secretary

Experience

Mr Harding is a Chartered Accountant with over 25 years of finance and corporate advisory experience including having held senior leadership roles with professional services and advisory firms PwC and KPMG.

Mr Harding has a strong track record in corporate finance including significant capital markets, merger and acquisition transaction advisory and debt arranging experience in the mid-cap industrials sectors having held senior positions in a number of mid-cap focussed investment banks.

Mr Harding holds a Bachelor of Business and is a Fellow of Chartered Accountants Australia and New Zealand and Financial Services Institute of Australasia. Mr Harding was appointed to the role of Chief Financial Officer of Veris from 2 April 2020. He was appointed Company Secretary on 27 November 2020.

Directors' Report

For the year ended 30 June 2024

Directors Meetings

The number of directors meetings and number of meetings attended by each of the directors of the Group during the financial year are:

Director	Board Meetings		Audit and Risk Committee		Remuneration and Nomination Committee		Health, Safety, Environment and Quality Committee	
	A	B	A	B	A	B	A	B
Karl Paganin	13	13	5	5	4	4	*	*
Michael Shirley	13	13	5	5	4	4	3	3
Brian Elton	13	13	*	*	4	4	3	3
David Murray	13	13	5	5	*	*	*	*
Tracey Gosling**	12	12	*	*	*	*	3	3

A = Number of meetings attended
B = Number of meetings held during the time the director held office during the year
* = Not a member of the relevant committee
** Tracey Gosling resigned on 31 May 2024

Dividends

On 28 August 2023 the Company declared a fully franked dividend for 2023 of 0.15 cents per share, totalling $770,083; (2023: Nil) with a record date of 19 September 2023 and payment date of 7 November 2023. The cash component was $653,408 and $114,311 net of costs was transacted under the Dividend Reinvestment Plan (DRP) component which applied to this dividend. On 7 November 2023, 1,666,861 shares were issued to shareholders under the Dividend Reinvestment Plan at a price of 7.00 cents per share. The price per share was based on a 2.5% discount to the 10-day volume weighted average price as determined in accordance with clause 6 of the Dividend Reinvestment Plan rules.

Principal Activities

Veris Limited is the holding company listed on the ASX under the code VRS. Veris Australia Pty Ltd ("Veris Australia") is the operating subsidiary of the Company.

Veris Australia is a fully integrated digital and spatial data 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 centres 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.

Significant Changes

The following significant changes in the nature of the activities of the Group occurred during the year:

- During the year, Mr Angus Leitch was appointed as Chief Operating Officer of Veris Australia on 1 April 2024, succeeding Ms Julie Stanley. Mr Leitch has a wealth of experience leading and mentoring large-scale operations within professional services and contracting environments.

Significant Changes (continued)

- Veris Australia successfully mobilised and continues to deliver, or has completed, significant contracts across its national platform. In line with the continued execution of the Group's strategy of delivering value from digital and spatial expertise, Veris has accelerated its investment in commercialising new products leveraging market-leading digital and spatial data capture and analytics capabilities and solutions. This has provided the backdrop for continued significant growth in service for larger-scale complex projects utilising innovative solutions developed by Veris, including:
  - Creating a 3D façade laser scan, spatial documentation and Building Information Modelling (BIM) services for a major airport upgrade and model of an airport terminal for a major capital city airport operator to assist with their asset maintenance program and planning;
  - Laser scanning and modelling of large-scale remote fencing infrastructure for a major asset owner in remote areas to assess asset condition and assist with repair and maintenance planning;
  - Data capture via mobile laser scan (MLS) and 3D Ground Penetrating Radar (3D GPR) to create virtual models of streetscapes to assist with asset maintenance and more precise vegetation management and clearance requirements, thereby assisting improved conservation and tree canopy management;
  - Spatial consultancy services to support the development of a Digital Strategy and Digital Engineering Roadmap for a Queensland company with a large geographic spread and diverse asset base;
  - 3D laser scanning and ongoing real-time monitoring to underpin the building of a 3D digital model of twin water transport pipelines in NSW;
  - Spatial documentation and Building Information Modelling (BIM) services for a major airport upgrade in Queensland;
  - Deploying of 3D Ground Penetrating Radar (3D GPR) technology in combination with mobile laser scanning, to identify tree root systems and accurately capture the road corridor in 3D in connection with a major construction project in the ACT;
  - The ongoing Melbourne Metro Tunnel project in Victoria for the delivery of survey, locating and data management services;
  - M6 Motorway Project in Sydney for the delivery of project support services in partnership with Veris' alliance partner, Wumara Group;
  - Continuing assessment of early stage works on the Inland Rail Project connecting major capital cities up and down the east coast of Australia; and
  - The Sydney Metro South-West corridor project providing engineering survey support, 3D data management and spatial data capture.
- Veris Limited announced on 9 June 2023 that it extended an on-market share buy-back for up to 10% of the Company's fully paid ordinary shares on issue (as initiated on 8 June 2022). During the financial year, Veris acquired 6.9 million ordinary shares via the operation of the on-market buy-back incurring a cash outlay of $0.5m million.
- Veris Limited announced on 20 June 2024 its intention to renew for a further 12 months the on-market share buy-back for up to a further 10% of the Company's fully paid ordinary shares on issue, which is now due to conclude on 4 June 2025.

Operating and Financial Review

For the year ended:	30 Jun 2024 $000	30 Jun 2023 $000
Continuing operations		
Revenue	92,592	100,861
Statutory (loss) / profit after tax	**(4,690)**	**1,071**
Add back:		
Tax (benefit) / expense	255	-
Impairment right of use asset	1,508	-
Restructuring costs	1,130	30
Share-based payment expense	45	232
Acquisition costs	16	-
Net finance expense	574	816
Adjusted EBIT (loss) / profit	(1,162)	2,149
Depreciation and amortisation	7,918	8,027
Adjusted EBITDA from continuing operations[(i)]	**6,756**	**10,176**
Discontinued operations		
(Loss) / gain on disposal of subsidiary	-	(179)
Net (loss) / profit from discontinued operations, net of tax	-	**(179)**
Key Balance Sheet Metrics		
Net Assets	23,035	28,821
Working Capital[(ii)]	14,478	17,738

(i) Adjusted EBITDA is defined as earnings before interest, tax, depreciation, amortisation, restructuring, share-based payments, acquisition costs and impairment and is an unaudited non-IFRS measure.

(ii) Working capital is defined as current assets less current liabilities.

Despite the continued revenue growth in Veris’ internally developed solutions utilising the Company’s expertise in digital and spatial skillsets, Veris’ overall performance during the financial year was impacted by multiple one-off external factors, including:

- Victorian Government budgetary pressures, leading to embedded economic uncertainty, the cancellation of the 2026 Commonwealth Games and a significant reduction in public and private spending on infrastructure and other initiatives.
- Well-publicised industrial relations and union presence factors impacting work practices in Victoria and emerging in other states. This resulted in surveyors being forced to stop work or denied entry to major construction projects for extended periods throughout the year, disrupting Veris’ ability to perform services on these projects.
- Delays, reassessment and in some cases cessation of multiple major projects previously planned by Australia’s Federal, State and Territory Governments as they reassessed their infrastructure spending programs, which have in turn adversely impacted economic confidence and increased competition.
- Resourcing constraints and operational disruption in Veris’ Queensland operating division, with initial impacts to the Company’s core service offering to the Property market sector; and
- An inflationary economic environment that has eroded margin performance on some longstanding legacy project work.

Operating and Financial Review (continued)

Veris' FY24 financial performance was impacted by the above-mentioned mix of adverse market conditions and one-off external challenges. This has resulted in FY24 revenues of $92.6m, down 8.2% from the previous corresponding period (pcp) and a statutory loss after tax of $4.7m.

In assessing the above influences throughout the year, Veris responded quickly and decisively to these challenging market conditions, implementing a number of restructuring and operational initiatives as well as a strategic repositioning of the Group's go-to-market strategies in affected sectors. These actions included:

- Implementing wide-scale operational and functional support restructures via:
  - An initial reduction in head count and restructuring of teams in the first half of the financial year, followed by additional redundancies in the second half, to right-size the Company's operations and support functions in key geographic markets, followed by
  - A Company-wide organisational restructure in Q4, that encompassed an additional reduction in headcount and the introduction of a fully national operating model that targets best practice in project delivery / service innovation and cost efficiency.

These major restructuring initiatives resulted in restructuring costs of $1.1m in FY24.

- A strategic shift away from the delivery of legacy smaller projects, as well as an elevated focus on bid strategies and opportunity assessment to decline to bid for lower margin work and further pivot towards our key client strategy. This underpinned the decline in top line revenue from $100.8m to $92.6m;
- A commitment to relocate to fit-for-purpose office spaces, including a planned and impending move from the existing Melbourne office location that will deliver significant savings and operational efficiencies. This resulted in a one-off, non-cash impairment to the right of use lease asset carrying value associated with the Melbourne office lease of $1.5 million.
- Further optimisation of vehicle fleet management resulting in approximately $0.2m of one-off costs in anticipation of vehicle leases concluding and are not to be renewed or replaced.

Despite these challenges, Veris has continued to make significant progress in executing multiple strategic initiatives that are already delivering operational improvements that stand the Company in good stead over the medium term. The Group remains committed to building on the strong foundation established over the past three years, where it has delivered a significant turnaround that has reshaped Veris into a sustainable business. During the year the Company also continued its move away from legacy, long-tail lower margin projects towards higher margin work with key clients. These changes represent a significant operational shift within the business that, in combination with the digital strategy, is intended to address market challenges and improve performance.

The Veris leadership team responded quickly and decisively to the host of external factors resulting in economic uncertainty and challenging conditions across some of the Group's key geographic markets, including Victoria, NSW and Queensland, which have, as a group, impacted our performance over the past 12 months

These initiatives have right-sized a number of business units, addressed remaining legacy costs and established an operating and support structure that more fully leverages the Veris national operating platform.

In total, the Company incurred in excess of $3.1m of costs that were either one-off, non-cash or a combination of both over the course of the financial year. These included:

- The Southbank office-related lease right of use asset impairment ($1.5m).
- A derecognition of $1.55m of deferred tax assets in connection with the utilisation of carry forward tax losses forming part of the $0.3m net decrease in deferred tax assets (as further detailed in Note 16 to the Consolidated Financial Statements);
- The restructuring costs and one-off vehicle related charges ($1.3m).

Operating and Financial Review (continued)

As a result of the rightsizing and restructuring initiatives undertaken by the Company, total headcount across the Group reduced by approximately 100 people on a year-on-year, FY24-on-FY23 basis. This headcount reduction has resulted from a combination of:

- some project-specific staff departures following the conclusion of project commitments;
- desired attrition / managed departures of permanent staff; and
- restructuring-related redundancies.

Cash and Order Book

The Company’s balance sheet remains robust despite the slippage in reported profitability over the past year, with cash at hand as at 30 June 2024 totalling $16.1m.

Veris’ secured forward workload at 30 June was in excess of $55m (to be executed over the next 12 month period). The Company also had in place a stable, unsecured project pipeline with a weighted value of approximately $190m over the next 24 months.

Whilst the pipeline metric has remained stable at approximately $190m over the last few reporting periods, the underlying quality of projects and opportunities in the composition of this pipeline has improved during this time and reflects the Company’s strategy of targeting national and regional key clients for delivery of multi-disciplinary projects bringing together Veris’ spatial and advisory skillsets. This is expected to generate higher quality margins and earnings in future periods.

Balance Sheet and Capital Management

As noted above, the Company’s balance sheet remains strong with net assets of $23m at 30 June 2024 underpinned by a strong cash balance of $16.1m and a net cash position of $11.1m after taking into account the Group’s corporate borrowings which have been solely utilised to fund high value equipment purchases over the last 2 years.

A continued focus on working capital management has underpinned an improvement in the Group’s working capital position as tighter management of WIP and debtor balances has resulted in the crystallisation of cashflow. This has been an important focus in managing Veris’ potential credit risk exposures as the impact of a higher interest rate environment has seen some industry participants across the property and construction sectors face financial difficulty. To date, Veris has not been significantly impacted in this area.

Growth Trajectory and Outlook

Taken together, the changes implemented over FY24:

- Highlight Veris’ commitment to delivery of operational efficiencies across its business.
- Dovetail into the Company’s continued focus on its higher margin digital strategy, which continues to make strong progress.
- Support the Company’s deliberate pivot into higher margin consultancy and strategic advisory services that meet the digital transformation needs of industry.

In FY24, the Digital & Spatial service line increased as a share of Veris revenue to 17% and achieved gross margin per hour growth of 20% across FY24, reflecting the strong progress in the digital strategy.

One of the key initiatives delivered by Veris as part of its digital strategy during FY24 was the successful launch of its digital solutions service offering, which included the development and commercialisation of a number of spatial data and analytics platforms, as well as spatial consultancy services. Increasing industry recognition of Veris’ market-leading digital and consulting expertise has been evidenced via Veris’ successful appointment for the implementation of digital twins across a number of high-value, large-scale projects during the year.

Growth Trajectory and Outlook (continued)

Moving forward, Veris is now appropriately rightsized and aligned to the emerging and growing data and digital transformation needs of industry across multiple sectors. This has the Company well-placed to provide digital solutions, including the development of bespoke spatial data platforms that support data hosting, analytics, AI and insights. These services are currently in high demand and are expected to remain so in the future. Additionally, as experts in all aspects of spatial data, the Company's multidisciplinary team and skillsets are uniquely positioned to deliver high-value spatial consulting and advisory services for their clients' most complex problems. This also incorporates Veris' market leading offering for digital twins, digital transformation strategies and digital urbanism.

With the Company's ongoing investment in additional specialist skill sets, including the expansion of its geographic information system (GIS) service offering nationally, and additional Digital and Spatial leadership and technical skillsets, including data analysts developing bespoke artificial intelligence based tools across its regions to target specific growth opportunities and greater cross-selling of services, Veris has expanded its capabilities in developing and commercialising data-driven analytics solutions for its large-scale clients. These solutions are developed to target and solve client-identified problems. As the Company expands its data capture capabilities, the continued development of additional solutions will remain a key strategic focus.

As Veris continues its pivot away from low margin projects towards this type of specialist high value work with key clients, the Company expects that it may result in a future reduction in overall revenue but complemented by a net growth in margin and improved operating performance.

Corporate Governance Principles and Recommendations

The Australian Securities Exchange (ASX) Corporate Governance Council sets out the best practice recommendations, including corporate governance practices and suggested disclosures, through the ASX Corporate Governance Principles and Recommendations (the ASX Recommendations). ASX Listing Rules 4.10.3 requires companies to disclose the extent to which they have complied with the ASX Recommendations and to give reasons for not following them.

The Veris Board endorses the ASX Recommendations which have been adopted by the Company for the year ended 30 June 2024, unless otherwise indicated. Please see the Company's Appendix 4G and accompanying Corporate Governance Statement which is released on the ASX platform annually for further information. The Company also has a Corporate Governance section on its website; www.veris.com.au which includes the relevant documentation suggested for disclosure by the ASX Recommendations.

Risks

There are specific risks associated with the activities of the Group and general risks, some are within, and some are beyond the control of the Group and the Directors. The most significant risks identified that may have a material impact on the future financial performance of the Group and the market price of the Group's shares are:

Project Delivery Risk

Execution of projects involves professional judgment regarding scheduling, development and delivery. Failure to meet scheduled milestones could result in professional product liability, warranty or other claims against the Group. The Group maintains a range of review processes, insurance policies and risk mitigation programs designed to closely monitor progress and services and outputs delivered. Sub-optimal project execution can put pressure on earnings, cashflow and the ability to fund growth. Veris is focused on ensuring execution of work to a high standard and improving our operations to increase our value proposition to clients.

Risks continued

Working with Potential Safety Hazards Risk

In undertaking work and delivering projects for its clients, Veris’ employees and subcontractors can operate in potentially hazardous environments and perform potentially hazardous tasks.

Management and the Board remain alert to the safety risks posed to employees and subcontractors, devote significant time to monitoring the effectiveness of the Group’s safety framework, and have implemented a wide range of controls and proactive programs to increase awareness of significant hazards and prevent injuries to employees and subcontractors. The occurrence of workplace health and safety incidents involving Veris staff, its subcontractors or clients, may result in financial costs or penalties being imposed on the Group under applicable legislative regimes.

Legal and Contractual Risk

Errors, omissions or incorrect rates and quantities mean the Group may not achieve full benefits of project deliverables and this may lead to a negative impact on financial performance. Additionally, accepting unfavourable and/or failing to understand contractual terms can lead to disputes with third parties and litigation. The Group seeks to mitigate these risks by defining the Group’s commercial appetite for contractual and financial risk, following a tendering process and estimation programme and using the knowledge and experience of staff for pricing, contract reviews and screening.

Political Risk

Major infrastructure and civil work may depend on Government approval and funding. Project timing may vary when government approval and funding is either delayed and/or withheld due to reasons such as political, economic and environmental changes. The Group have diversified its revenue base across multiple sectors, suppliers and states to mitigate and reduce potential impact to results.

Retention of Key Personnel and Sourcing of Subcontractors Risk

The talents of a growing, yet relatively small number of key personnel contribute significantly to the Group’s operational effectiveness. Management and the Board have implemented strategies to retain those personnel, including participation in appropriate incentive arrangements and participation in the Group’s employee development and succession programs.

Access to an appropriately skilled and resourced pool of employees and subcontractors across Australia is also critical to Veris’ ability to successfully secure and complete field-based work for its clients. Veris is exposed to increased labour costs in markets where the demand for skilled labour is strong. Veris utilises a comprehensive framework to conduct reward/remuneration and succession planning which includes talent development as well as annual salary benchmarking.

Growth Funding Risk

The ability to fund growth opportunities may be compromised if the Group does not meet covenant requirements within external financing facilities, internally established performance targets or adequately manage market expectations. The Group has a defined strategy which is supported by the board and senior management as well as external financiers and a comprehensive internal and external communications plan ensures transparency with the market and alignment with the workforce.

Risks continued

Competition Risk

There is potential for changes in the market, whereby a competitor's product or technology may lead to loss of competitive advantage of the Group, or a competitor may become more aggressive in response to our strategy which may compromise our ability to achieve growth targets. The business has a process in place to monitor competitor behaviour, both in response to Group' strategy, as well as changing market conditions, business environment and innovations.

Cyber Security and Data Protection Risk

Information technology and data are critical to Veris' value creating activities and lost access to its IT systems and data would have a major impact on the business. The growing volume and complexity of cyber-attacks is increasing the risk to Veris' networks and operating protocols. Veris continues to invest in systems and infrastructure to protect our assets. This includes information security management systems, anti-malware and response detection software, multi-factor authentication, security education and awareness materials and ensuring business resilience plannings for cyber related scenarios. Veris continues to evolve the design and implementation of its cyber and data risk management framework to ensure appropriate cyber security and risk mitigation protocols are in place, facilitate organisational efficiency, improve disaster recovery protocols and ensure secure business continuity protocols are in place.

Business Integrity and Reputation Risk

As a listed entity with a national presence, the Group is subject to numerous rapidly evolving and complex laws and regulations. Stakeholder trust is directly tied to ethical behaviour, compliance with applicable rules and regulations and internal policies and procedures. The Group has implemented operational and enterprise risk assessment frameworks and protocols to clearly identify and manage potential risks.

Macro-economic trends

Veris considers the potential for the Australian economic outlook to remain challenging with inflationary pressures and associated interest rate impacts affecting a broad range of participants in the sectors Veris operates in. Within this environment, there can be uncertainty around the path of inflation, the associated policy responses and the impacts on Veris' clients and suppliers. Veris monitors the risk of systemic shifts in the macro-economic environment such as a subdued macroeconomic environment or a global financial crisis-type event that restricts access to capital to fund certain projects. The Veris board manages the business to protect the Group's balance sheet and maintain conservative buffers to address uncertainties as they arise.

Supply chain risk

High inflation and a tight labour market, together with global disruptions to manufacturing and technology equipment supply chains can have an impact on Veris' ability to source and repair technology-based equipment and vehicles. Veris works closely with key suppliers to understand supply chain bottlenecks and capacity constraints.

Climate change

The changing frequency and severity of weather events is identified as a risk to Veris' operations and financial results over the short, medium and long-term. Severe natural hazard events impact our clients and communities in which we operate and drive operational pressures within the business. Veris advocates for cross-sector collaboration and greater investment in building community resilience against natural hazards to better manage physical risks associated with climate change.

Significant Events After Period End

On 2 August 2024 the Company announced and effected the cancellation of 177,747 ordinary shares that were acquired under the Company's on-market buy back that was active during the year.

Other than the matters discussed above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction, or event of a material and unusual nature likely, in the opinion of the directors of the Company, to significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

Remuneration Report – Audited

The directors are pleased to present your Company's 2024 Remuneration Report which sets out the remuneration information for Veris' Non-Executive Directors, Executive Directors and other Key Management Personnel. The information provided in this Remuneration Report has been audited as required by section 308(3C) of the Corporations Act 2001. This Remuneration Report forms part of the Directors' Report. For the purposes of this report 'Key Management Personnel' (KMP) of the Company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly.

The report contains the following sections: a) Directors and Executive disclosures:

a) Remuneration policy;
b) Remuneration advice;
c) Performance linked compensation;
d) Details of share-based compensation and bonuses;
e) Voting and comments made at the Company's 2023 Annual General Meeting;
f) Contractual arrangements;
g) Details of remuneration;
h) Analysis of bonuses included in remuneration; and
i) Equity instrument disclosure relating to directors and key management personnel.

Remuneration Report – Audited (continued)

Directors and Executive disclosures

The details of directors and key management personnel disclosed in this report are outlined below.

Name	Role	Appointment
Non-Executive Directors		
Karl Paganin	Non-Executive Chairman, Independent Non-Executive Director, Independent	Appointed 25 November 2019 Appointed 19 October 2015
David Murray	Non-Executive Director, Independent	Appointed 1 June 2021
Brian Elton	Non-Executive Director	Appointed 21 November 2019
Tracey Gosling	Non-Executive Director, Independent	Appointed 1 April 2022, resigned 31 May 2024
Jason Waller	Non-Executive Director	Appointed 21 August 2024
Executive Director		
Michael Shirley	Managing Director & Chief Executive Officer (CEO)	Appointed 1 June 2022
Executive KMP		
Michael Shirley	Chief Executive Officer (CEO)	Appointed 29 October 2019
Steven Harding	Chief Financial Officer (CFO) Company Secretary	Appointed 2 April 2020 Appointed 27 November 2020
Steve Pearson	Chief Commercial Officer (CCO)	Appointed 30 March 2020 KMP effective 1 March 2022, ceased as KMP effective 31 January 2024
Julie Stanley	Chief Operating Officer (COO)	Appointed 1 November 2022, resigned 22 December 2023
Angus Leitch	Chief Operating Officer (COO)	Appointed 2 April 2024

a) Remuneration policy

The Group has high expectations of its personnel and its executive leadership team. The Group aligns the performance outcomes of its executives with its own corporate outcomes and as such remuneration will be based on merit, performance and responsibilities assigned and undertaken.

Remuneration and nomination committee

The Group has a Remuneration and Nomination Committee, which is responsible for:

- Assessing appropriate remuneration policies, levels and packages for Board Members, the CEO, and (in consultation with the CEO) other senior executive officers;
- Monitoring the implementation by the Group of such remuneration policies; and
- Recommending the Group's remuneration policy so as to:
  - motivate directors and management to pursue the long-term growth and success of the Group within an appropriate control framework; and
  - demonstrate a clear relationship between key executive performance and remuneration.

Remuneration Report – Audited (continued)

a) Remuneration policy (continued)

Non-executive director remuneration policy

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of Non-Executive Directors shall be determined from time-to-time by a general meeting. The Constitution was amended by special resolution of the members on 23 November 2016 with the aggregate remuneration increasing from $250,000 to $500,000 per annum, which is to be apportioned amongst Non-Executive Directors.

The Company has entered into service agreements with its current Non-Executive Directors; refer to the details of the contractual arrangements on page 42 of this remuneration report. Retirement payments, if any, are agreed to be determined in accordance with the rules set out in the Corporations Act 2001 at the time of the Directors retirement or termination. Non-Executive Directors' remuneration may include an incentive portion consisting of bonuses and/or options, as considered appropriate by the Board, which may be subject to shareholder approval in accordance with the ASX Listing Rules.

Executive remuneration policy

The Company's remuneration policy is to ensure the remuneration package appropriately reflects the person's duties and responsibilities and that remuneration is competitive in attracting, retaining and motivating people of the highest quality. The Company aims to reward executives with a level of remuneration commensurate with their position and responsibilities within the Company so as to attract and retain executives of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The overall executive team and remuneration framework is designed to link reward more directly to the strategy and drivers of Veris in creating long term shareholder value and is fit for purpose for the phase of the company's life cycle.

b) Remuneration advice

Remuneration is regularly compared with the external market by participation in industry salary surveys and during recruitment activities generally. The Remuneration Committee seeks advice from and appoints remuneration consultants and external advisors from time to time on various remuneration related matters. This is with a view to ensuring independence and making recommendations for determination by the Board.

c) Performance linked compensation

The following table shows key performance indicators for the Group over the last five years.

	Financial Year Ended 30 June	2024	2023	2022	2021 Restated	2020
LTI	Closing Share Price ($)	0.048	0.081	0.063	0.074	0.036
	EPS (cents)	(0.91)	0.17	4.04	(0.33)	(6.14)
STI	Profit / (Loss) from Continuing Operations ($'000)	(4,690)	1,071	105	(2,392)	(23,210)
	Adjusted EBITDA	6,756	10,176	10,007	8,328	1,860
	Dividends paid ($'000)	770	-	-	-	-

Remuneration Report – Audited (continued)

d) Details of share-based compensation and bonuses

(i) Options

No options were granted to directors and key management personnel during or since the end of the reporting period.

(ii) Performance rights granted as compensation to key management personnel

FY2023 Long Term Incentive Plan (“FY23 LTI Plan”)

On 19 October 2022 and 3 March 2023, the Group granted Performance Rights to the Managing Director/CEO (approval under ASX Listing rule 10.14) and the CFO and CCO, under the Group’s Long Term Incentive Plan in respect of the financial years ended 30 June 2023 to 30 June 2024. Subject to continued employment and achievement of financial performance hurdles (Absolute total shareholder return (‘ATSR’) and Basic Earnings Per Share (‘Basic EPS’)), the Performance Rights issued and affecting the financial year ending 30 June 2024, were as follows:

Number of Performance Rights Granted	Vesting Date (A)	Lapsed (B)	Vested (B)	Vesting Hurdles			
				50% Absolute TSR (‘ATSR’)		50% Basic EPS	
				<12.5% p.a. compounded	Nil		
				12.5% p.a. compounded	50%		
5,685,716	30 June 2024	5,685,716	-	>12.5% p.a. compounded, <20% p.a. compounded	Pro-rata vesting between 50% and 100%	< $0.0039 > $0.0039	Nil 100%
5,685,716		5,685,716		At or above 20% p.a. compounded	100%		

(A) On vesting, Performance Rights will automatically convert to ordinary shares on a one for one basis. Performance Rights that do not vest will lapse. An unvested Performance Right will lapse upon the earlier to occur of:

i. failure to satisfy the applicable vesting conditions;

ii. the holder purporting to transfer the Performance Right otherwise than with the consent of the Board or by force of law;

iii. the employment of the holder ceasing, where such a condition was imposed on the grant of the Performance Right;

iv. in the opinion of the Board, the holder commits any fraudulent or dishonest act or is in breach of his or her obligations to the Company or subsidiary;

v. the expiry date.

(B) At 30 June 2024 on failing to achieve the vesting hurdles.

Remuneration Report – Audited (continued)

FY2024 Short term incentive plan ("FY24 STI Plan")

On 5 October 2023 the Group granted 2,750,000 Performance Rights to the CFO, Steve Harding and COO, Julie Stanley, with a vesting date of 30 June 2024, subject to achieving the targeted net profit before tax and continued employment with the Group.

Number of Performance Rights Granted	Vesting Date (A)	Lapsed	Vested	Vesting Hurdle (B)
2,750,000	30 June 2024	2,750,000	-	Continued employment to 30 June 2024 and achieving financial performance targets

(A) On vesting, Performance Rights will automatically convert to ordinary shares on a one for one basis. Performance Rights that do not vest will lapse. An unvested Performance Right will lapse upon the earlier to occur of:
i. failure to satisfy the applicable vesting conditions;
ii. the holder purporting to transfer the Performance Right otherwise than with the consent of the Board or by force of law;
iii. the employment of the holder ceasing, where such a condition was imposed on the grant of the Performance Right;
iv. in the opinion of the Board, the holder commits any fraudulent or dishonest act or is in breach of his or her obligations to the Company or subsidiary;
v. the expiry date.
(B) Based on continued employment to 30 June 2024 and achieving financial performance targets.

FY2024 Short term incentive plan CEO ("FY24 STI Plan CEO")

On 18 October 2023 the Group granted 1,500,000 Performance Rights to the CEO, Michael Shirley, with a vesting date of 30 June 2024, subject to achieving the targeted net profit before tax and continued employment with the Group.

Number of Performance Rights Granted	Vesting Date (A)	Lapsed	Vested	Vesting Hurdle (B)
1,500,000	30 June 2024	1,500,000	-	Continued employment to 30 June 2024 and achieving financial performance targets

(A) On vesting, Performance Rights will automatically convert to ordinary shares on a one for one basis. Performance Rights that do not vest will lapse. An unvested Performance Right will lapse upon the earlier to occur of:
i. failure to satisfy the applicable vesting conditions;
ii. the holder purporting to transfer the Performance Right otherwise than with the consent of the Board or by force of law;
iii. the employment of the holder ceasing, where such a condition was imposed on the grant of the Performance Right;
iv. in the opinion of the Board, the holder commits any fraudulent or dishonest act or is in breach of his or her obligations to the Company or subsidiary;
v. the expiry date.
(B) Based on continued employment to 30 June 2024 and achieving financial performance targets.

Performance Rights COO

On 2 April 2024 the Group granted 1,250,000 Performance Rights to the new COO, Angus Leitch, on commencement of his employment and will vest subject to his continued employment over a one-year period.

Number of Performance Rights Granted	Vesting Date (A)	Lapsed	Vested	Vesting Hurdle (B)
1,250,000	1 April 2025	-	-	1 year retention

(A) On vesting, Performance Rights will automatically convert to ordinary shares on a one for one basis. Performance Rights that do not vest will lapse. An unvested Performance Right will lapse upon the earlier to occur of:
i. failure to satisfy the applicable vesting conditions;
ii. the holder purporting to transfer the Performance Right otherwise than with the consent of the Board or by force of law;
iii. the employment of the holder ceasing, where such a condition was imposed on the grant of the Performance Right;
iv. in the opinion of the Board, the holder commits any fraudulent or dishonest act or is in breach of his or her obligations to the Company or subsidiary;
v. the expiry date.
(B) Based on continued employment to 1 April 2025.

Remuneration Report – Audited (continued)

(iii) Details of long term incentives affecting current and future remuneration

Key Management Personnel	Instrument	#	Grant date	% vested in year	# vested in year	% forfeited / lapsed in year	# forfeited / lapsed in year	Financial year in which grant vests	Face value of vested rights
Michael Shirley	FY23 LTI Performance rights 2024	2,685,714	19 October 2022	-	-	100%	2,685,714	2024	-
	FY24 STI Performance rights 2024	1,500,000	18 October 2023	-	-	100%	1,500,000	2024	-
Steve Harding	FY23 LTI Performance rights 2024	1,564,286	3 March 2023	-	-	100%	1,564,286	2024	-
	FY24 STI Performance rights 2024	1,500,000	5 October 2023	-	-	100%	1,500,000	2024	-
Steve Pearson	FY23 LTI Performance rights 2024	1,435,716	3 March 2023	-	-	100%	1,435,716	2024	-
Julie Stanley	FY24 STI Performance rights 2024	1,250,000	5 October 2023	-	-	100%	1,250,000	2024	-
Angus Leitch	Performance rights COO	1,250,000	2 April 2024	-	-	-	-	2025	-
		11,185,716					**9,935,716**		

(iv) Vesting and exercise of performance rights granted as remuneration

No Performance Rights vested during the reporting period.

e) Voting and comments made at the Company’s 2023 Annual General Meeting

The adoption of the Remuneration Report for the financial year ended 30 June 2023 was put to the shareholders of the Company at the Annual General Meeting held 18 October 2023. The Company received 98.3% of votes, of those shareholders who exercised their right to vote, in favour of the remuneration report for the 2023 financial year. The resolution was passed without amendment on a poll.

f) Contractual arrangements

On appointment to the board, all non-executive directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the board policies and terms, including remuneration, relevant to the office of director.

Remuneration and other terms of employment for the Board members, chief executive officer, chief financial officers and other key management personnel are also formalised in service agreements. Major provisions of the agreements relating to remuneration are set out overleaf.

Remuneration Report – Audited (continued)

f) Contractual arrangements (continued)

Name	Term of agreement	Base Salary + superannuation	Termination
Karl Paganin	Mr Paganin will hold office until the next annual general meeting of the Company where he may be subject to retirement by rotation under the company's constitution.	$115,000	In accordance with the company's constitution and the Corporations Act 2001 (Cth).
Brian Elton	Mr Elton will hold office until the next annual general meeting of the Company where he may be subject to retirement by rotation under the company's constitution.	$70,000	In accordance with the company's constitution and the Corporations Act 2001 (Cth).
David Murray	Mr Murray will hold office until the next annual general meeting of the Company where he may be subject to retirement by rotation under the company's constitution.	$70,000	In accordance with the company's constitution and the Corporations Act 2001 (Cth).
Tracey Gosling	Ms Gosling resigned 31 May 2024.	$70,000	In accordance with the company's constitution and the Corporations Act 2001 (Cth).
Michael Shirley (A) (B) (C) & (D)	Until validly terminated in accordance with the terms of the Agreement.	$500,000	Termination by Company with reason – 1 months' notice Termination by Company without reason – 3 months' notice.
Steven Harding (A) (B) (C) & (E)	Until validly terminated in accordance with the terms of the Agreement.	$377,398	Termination by Company with reason – 1 months' notice Termination by Company without reason – 3 months' notice. In the event of termination of employment occurring within 12 months following a Change of Control event, the employee is entitled to a payment upon termination equal to 12 months base salary plus superannuation.
Steve Pearson (A) (B) (C) & (F)	Until validly terminated in accordance with the terms of the Agreement.	$347,398	Termination by either party – 1 months' notice
Julie Stanley (A) (B) (C) & (G)	Resigned 22 December 2023.	$382,398	Termination by Company with reason – 1 months' notice Termination by Company without reason – 3 months' notice.
Angus Leitch (A) (B) & (C)	Until validly terminated in accordance with the terms of the Agreement. Appointed 2 April 2024 as Chief Operating Officer.	$390,000	Termination by Company with reason – 6 months' notice Termination by Company without reason – 6 months' notice.

(A) Key management personnel are also entitled to receive on termination of employment their statutory entitlements of accrued annual and long service leave, together with any superannuation benefits.

(B) Key management personnel's contracts allow for participation in the Company's Incentive Plan (subject to Board and Shareholder approval, if applicable).

(C) These contracts provide for the provision of short-term incentives by way of a cash bonus subject to key performance indicators to be determined by the Remuneration & Nomination Committee annually.

(D) Base Salary plus Super of $470,000 until 31 December 2023. Base Salary plus Super was increased to $500,000 effective from 1 January 2024.

(E) Base Salary plus Super of $365,000 until 7 July 2023. Base Salary plus Super was increased to $377,398 effective from 8 July 2023.

(F) Base Salary plus Super of $335,000 until 7 July 2023. Base Salary plus Super was increased to $347,398 effective from 8 July 2023.

(G) Base Salary plus Super of $375,700 until 7 July 2023. Base Salary plus Super was increased to $382,398 effective from 8 July 2023.

Directors' Report

For the year ended 30 June 2024

Remuneration Report – Audited (continued)

g) Remuneration of directors and key management personnel of the group for the current and previous financial year

Table 1: Remuneration for the year ended 30 June 2024

	Short-term employment benefits			Post-employment benefits	Termination Benefits		Share-based Payments	Total	Proportion of remuneration performance related
	Salary & fees(A)	Incentive Cash bonus(B)	Non-monetary	Superannuation	Cash	Performance Rights	Performance Rights(C)		
	$	$	$	$	$	$	$	$	%
Non-Executive Directors									
Karl Paganin	115,000	-	-	-	-	-	-	115,000	-
David Murray	70,000	-	-	-	-	-	-	70,000	-
Brian Elton	63,063	-	-	6,936	-	-	-	69,999	-
Tracey Gosling (D)	58,212	-	-	6,403	-	-		64,615	-
Sub total	306,275	-	-	13,339	-	-	-	319,614	-
Executive Directors									
Michael Shirley (E)	459,463	-	-	27,398	-	-	(1,462)	485,399	-
Sub total	459,463	-	-	27,398	-	-	(1,462)	485,399	-
Other Executives									
Steven Harding (F)	344,519	-	-	27,398	-	-	14,643	386,560	4%
Steve Pearson (G)	157,413	-	-	15,228	-	-	13,440	186,081	7%
Julie Stanley (H)	188,297	-	-	13,699	13,653	-	-	215,649	-
Angus Leitch (I)	80,511	-	-	6,849	-	-	18,337	105,697	17%
Sub total	770,740	-	-	63,174	13,653	-	46,420	893,987	5%
Total Remuneration	**1,536,478**	**-**	**-**	**103,911**	**13,653**	**-**	**44,958**	**1,699,000**	**3%**

(A) Salary and fees include annual leave and long service leave for Executive Directors and Other Executives.
(B) Short-term incentive bonus is for the achievement of KPIs within their individual roles for the financial year ended 30 June 2024.
(C) The value of the Performance Rights granted in the year is the fair value of the rights calculated at grant date. This amount is allocated to remuneration over the vesting period. The fair value of the STI and COO Performance Rights has been measured using a 5-day volume weighted average price (VWAP). The fair value of the LTI Performance Rights has been measured using both a hybrid multiple barrier option pricing model which incorporates a Monte Carlo simulation (for market based vesting conditions) and a Black Scholes option pricing model (Non-market based vesting conditions).
(D) Resigned effective 31 May 2024.
(E) Base Salary plus Super of $470,000 until 31 December 2023. Base Salary plus Super was increased to $500,000 effective from 1 January 2024.
(F) Base Salary plus Super of $365,000 until 7 July 2023. Base Salary plus Super was increased to $377,398 effective from 8 July 2023.
(G) Base Salary plus Super of $335,000 until 7 July 2023. Base Salary plus Super was increased to $347,398 effective from 8 July 2023. Ceased as Key Management Personnel on 31 January 2024, on transitioning to retirement.
(H) Base Salary plus Super of $375,700 until 7 July 2023. Base Salary plus Super was increased to $382,398 effective from 8 July 2023. Resigned 22 December 2023.
(I) Angus Leitch became Key Management Personnel on 2 April 2024, on his appointment as Chief Operating Officer.

Directors' Report

For the year ended 30 June 2024

Remuneration Report – Audited (continued)

g) Remuneration of directors and key management personnel of the group for the current and previous financial year (continued)

Table 2: Remuneration for the year ended 30 June 2023

	Short-term employment benefits			Post-employment benefits	Termination Benefits		Share-based Payments	Total	Proportion of remuneration performance related
	Salary & fees[A]	Incentive Cash bonus[B]	Non-monetary	Superannuation	Cash	Performance Rights	Performance Rights[C]		
	$	$	$	$	$	$	$	$	%
Non-Executive Directors									
Karl Paganin	111,250	-	-	-	-	-	-	111,250	-
David Murray	73,750	-	-	-	-	-	-	73,750	-
Brian Elton	63,636	-	-	6,681	-	-	-	70,317	-
Tracey Gosling	63,636	-	-	6,681	-	-	-	70,317	-
Sub total	312,272	-	-	13,362	-	-	-	325,634	-
Executive Directors									
Michael Shirley [D]	496,438	-	-	25,292	-	-	61,891	577,022	11%
Sub total	496,438	-	-	25,292	-	-	61,891	577,022	11%
Other Executives									
Steven Harding [E]	381,466	-	-	25,292	-	-	22,117	430,607	5%
Steve Pearson [F]	342,507	-	-	25,292	-	-	20,299	391,025	5%
Julie Stanley [G]	191,376	-	-	18,165	-		-	213,481	-
Sub total	915,349	-	-	68,749	-	-	42,416	1,035,113	4%
Total Remuneration	**1,724,059**	-	-	**107,403**	-	-	**104,307**	**1,937,769**	**5%**

(A) Salary and fees include annual leave and long service leave for Executive Directors and Other Executives.

(B) Short-term incentive bonus is for the achievement of KPIs within their individual roles for the financial year ended 30 June 2023.

(C) The value of the Performance Rights granted in the year is the fair value of the rights calculated at grant date. This amount is allocated to remuneration over the vesting periods (1 July 2022 to 30 June 2024). The fair value of the Performance Rights has been measured using both a hybrid multiple barrier option pricing model which incorporates a Monte Carlo simulation (for market based vesting conditions) and a Black Scholes option pricing model (non-market based vesting conditions).

(D) Base Salary plus Super was increased to $470,000 effective from 1 July 2022.

(E) Base Salary plus Super was increased to $365,000 effective from 1 July 2022.

(F) Base Salary plus Super was increased to $335,000 effective from 1 July 2022.

(G) Julie Stanley became Key Management Personnel on 1 November 2022, on her appointment as Chief Operating Officer

Remuneration Report – Audited (continued)

h) Analysis of bonuses included in remuneration

During the period, there was no entitlement to bonuses.

i) Equity instrument disclosure relating to directors and key management personnel

Analysis of movements in Performance Rights issued, held and transacted by directors and key management personnel

Key Management Personnel	Number held at 1 July 2023	Granted in year	Grant Value	Grant Face Value	Number Vested in year	Number forfeited / lapsed in year	Number held at 30 June 2024
Michael Shirley (i)(ii)	2,685,714	1,500,000	$105,000	$105,000	-	(4,185,714)	-
Steve Harding	1,564,286	1,500,000	$105,000	$105,000	-	(3,064,286)	-
Steve Pearson	1,435,716	-	-	-	-	(1,435,716)	-
Julie Stanley	-	1,250,000	$87,500	$87,500	-	(1,250,000)	-
Angus Leitch	-	1,250,000	$75,000	$75,000	-	-	1,250,000

(i) Issue of Performance Rights under the FY23 LTI Plan, under listing rule 10.14.1, which required and received approval by shareholders at the AGM held on 19 October 2022.

(ii) Issue of Performance Rights under the FY24 STI Plan, under listing rule 10.14.1, which required and received approval by shareholders at the AGM held on 18 October 2023.

Analysis of movements in Shares Issued, held and transacted by directors and key management personnel

The number of ordinary shares in the Company held during the reporting period by each director and key management personnel (KMP's) of the Group, including their personally related parties are set out below. There were no shares granted as compensation during the reporting period.

	Balance at 30/06/2023	Movement	Balance at 30/06/2024	Balance at Date of this Report
Directors				
Karl Paganin	19,189,350	332,144	19,521,494	19,521,494
David Murray	3,200,000	800,000	4,000,000	4,000,000
Brian Elton	38,786,018	961,132	39,747,150	39,747,150
Tracey Gosling (i)	-	-	-	-
Michael Shirley	4,573,353	-	4,573,353	4,573,353
Jason Waller (ii)	-	-	-	-
KMP's				
Steven Harding	1,340,943	-	1,340,943	1,340,943
Steve Pearson (iii)	1,587,575	(1,587,575)	-	-
Julie Stanley (iv)	-	-	-	-
Angus Leitch (v)	-	-	-	-
Total	**68,677,239**	**505,701**	**69,182,940**	**69,182,940**

(i) Tracey Gosling movement includes 128,205 shares acquired during the period up to the date of her resignation on 31 May 2024.

(ii) Jason Waller does not hold a relevant interest in Veris shares but he was nominated as a director by Veris's largest shareholder Sherkane Pty Ltd who has a relevant interest in 21.38% of Veris as at the date of this report.

(iii) Steve Pearson ceased to be key management personnel on 31 January 2024 on transitioning to retirement.

(iv) Julie Stanley resigned on 22 December 2023.

(v) Angus Leitch became key management personnel on his appointment as Chief Operating Officer on 2 April 2024.

THIS CONCLUDES THE AUDITED REMUNERATION REPORT

Shares Under Option

As at 30 June 2024 there are no shares under option.

Indemnification and Insurance of Officers

The Company has made an agreement indemnifying all the directors and officers against all losses or liabilities incurred by each director and officer in their capacity as directors and officers of the Company to the extent permitted under the Corporations Act 2001. During the year the Company paid insurance premiums to insure directors and officers against certain liabilities arising out of their conduct while acting as an officer of the Company. Under the terms and conditions of the insurance contract, the nature of the liabilities insured against and the premium paid cannot be disclosed. Therefore, the amounts relating to these premiums paid have not been disclosed in the remuneration report.

Non-Audit Services

During the year KPMG, the Group’s auditors has performed no other services in addition to its statutory duties.

Details for the amounts paid to KPMG, the Group’s auditor, and its related practices for audit and non-audit services to the Group provided during the year are set out below:

	Consolidated	
	30 Jun 2024	**30 Jun 2023**
	$000	**$000**
Audit Services		
Audit and review of the financial reports	231	221
Other assurance services	-	23
	231	**244**

Environmental Regulations and Performance

It is the Group’s policy to comply with all environmental regulations applicable to it. The Company confirms, for the purposes of section 299(1)(f) of the Corporations Act 2001 that it is not aware of any breaches by the Group of any environmental regulations under the laws of the Commonwealth of Australia, or of a State of Territory of Australia.

In the majority of the Veris’ business situations, Veris is not the owner or operator of plant and equipment requiring environmental licences. Veris typically assists its clients with the management of their environmental responsibilities, rather than holding those responsibilities directly.

The Group is not aware of any breaches by Veris of any environmental regulations under the laws of the Commonwealth of Australia, or of a State or Territory.

Proceedings on Behalf of the Group

There are no proceedings on behalf of the Group under Section 237 of the Corporations Act 2001 in the financial year or at the date of the report.

Directors’ Report

For the year ended 30 June 2024

Lead auditor’s independence declaration

The lead auditor’s independence declaration is set out on page 92 and forms part of the directors’ report for the year ended 30 June 2024.

Rounding off

The Company is of a kind referred to in ASIC Instrument 2016/191 and in accordance with that Instrument, amounts in the condensed consolidated interim financial statements and directors’ report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Corporate Governance Statement

Veris is committed to implementing sound standards of corporate governance. In determining what those standards should involve, the Group has had regard to the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations (4th Edition) (“ASX Recommendations”). This corporate governance statement outlines the key principles and practices of the Company which in the terms of the Group’s Corporate Governance Charter, define the Group’s system of governance. A copy of the Group’s Corporate Governance Statement has been placed on the Group’s website under the Investors tab in the corporate governance section – 2024 Corporate Governance Statement.

Signed in accordance with a resolution of the directors:

Karl Paganin
Chairman

Dated at Perth 26 August 2024

Consolidated Statement of Profit or Loss and Comprehensive Income

For the year ended 30 June 2024

	Note	2024 $000	2023 $000
Continuing operations			
Revenue		92,592	100,861
Expenses	4	(96,507)	(99,053)
Results from operating activities		**(3,915)**	**1,808**
Finance income		676	431
Finance costs		(1,250)	(1,247)
Net finance costs		(574)	(816)
Share of profit of an associate	3	54	79
Profit / (Loss) before income tax		**(4,435)**	**1,071**
Income tax (expense) / benefit	15	(255)	-
Profit / (Loss) from continuing operations		**(4,690)**	**1,071**
Discontinued operation			
Profit / (Loss) from discontinued operations, net of tax	2	-	(179)
Profit / (Loss) for the period		**(4,690)**	**892**
Total comprehensive profit / (loss) for the year		**(4,690)**	**892**
Earnings / (loss) per share			
Basic profit / (loss) cents per share	5	(0.91)	0.17
Diluted profit / (loss) cents per share	5	(0.91)	0.17
Earnings / (loss) per share – Continuing operations			
Basic profit / (loss) cents per share	5	(0.91)	0.21
Diluted profit / (loss) cents per share	5	(0.91)	0.21

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

As at 30 June 2024

	Note	30 Jun 2024	30 Jun 2023
Assets		**$000**	**$000**
Current assets			
Cash and cash equivalents	17	16,141	17,336
Trade and other receivables	10	14,606	14,083
Contract assets	8	4,008	5,642
Other current assets		2,010	2,049
Total current assets		36,765	39,110
Non-current assets			
Property, plant and equipment	13	8,840	9,773
Right of use assets	13	12,838	16,392
Intangible assets	14	202	271
Investments in an associate	3	314	279
Deferred tax asset	16	3,459	3,714
Total non-current assets		25,653	30,429
Total assets		62,418	69,539
Liabilities			
Current Liabilities			
Trade and other payables	11	9,548	7,227
Bank borrowings	19	1,320	1,200
Lease liabilities	19	4,948	5,532
Employee benefits	12	6,471	7,413
Total current liabilities		22,287	21,372
Non-current liabilities			
Bank borrowings	19	3,650	3,844
Lease liabilities	19	10,955	13,425
Employee benefits	12	1,322	1,296
Provisions		1,169	781
Total non-current liabilities		17,096	19,346
Total liabilities		39,383	40,718
Net assets		**23,035**	**28,821**
Equity			
Share capital	21	50,411	50,780
Share based payment reserve	21	2,921	2,878
(Accumulated losses)	21	(30,297)	(24,837)
Total equity		**23,035**	**28,821**

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2024

	Note	Share Capital $000	Share Based Payment Reserve $000	Accumulated Profit $000	Total Equity $000
Balance at 1 July 2023		50,780	2,878	(24,837)	28,821
Total comprehensive income for the year					
(Loss) for the year		-	-	(4,690)	(4,690)
Total comprehensive loss for the year		-	-	(4,690)	(4,690)
Transactions with owners of the Company, recognised directly in equity					
Dividends paid	21	-	-	(770)	(770)
Issue of ordinary shares related to dividend reinvestment plan (net of costs)	21	114	-	-	114
On-market share buyback	21	(483)	-	-	(483)
Share-based payment transactions		-	43	-	43
Total transactions with owners of the Company		(369)	43	(770)	(1,096)
Balance at 30 June 2024		50,411	2,921	(30,297)	23,035

	Note	Share Capital $000	Share Based Payment Reserve $000	Accumulated losses $000	Total Equity $000
Balance at 1 July 2022		51,670	2,646	(25,729)	28,587
Total comprehensive income for the year					
Profit for the year		-	-	892	892
Total comprehensive profit for the year		-	-	892	892
Transactions with owners of the Company, recognised directly in equity					
On-market share buyback	21	(890)	-	-	(890)
Share-based payment transactions		-	232	-	232
Total transactions with owners of the Company		(890)	232	-	(658)
Balance at 30 June 2023		**50,780**	**2,878**	**(24,837)**	**28,821**

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended 30 June 2024

	Note	2024 $000	2023 $000
Cash flows from operating activities			
Receipts from customers		102,962	113,225
Payments to suppliers and employees		(94,714)	(104,332)
Cash generated from operations		8,248	8,894
Interest paid		(1,245)	(1,247)
Interest received		701	381
Net cash from operating activities	18	7,704	8,027
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		128	252
Purchase of property, plant and equipment		(1,972)	(3,399)
Development expenditure		(32)	(307)
Dividend received from associate		19	-
Disposal of subsidiaries net of costs*	2	-	(407)
Net cash (used in) investing activities		(1,857)	(3,861)
Cash flows from financing activities			
Repayment of loan and borrowings		(1,109)	(1,887)
Repayment of lease liabilities		(5,831)	(8,039)
Proceeds from loans		1,035	5,782
Dividends paid		(655)	-
Share buyback		(482)	(890)
Net cash used in financing activities		(7,042)	(5,034)
Net increase / (decrease) in cash and cash equivalents		(1,195)	(868)
Cash and cash equivalents at 1 July		17,336	18,204
Cash and cash equivalents at 30 June	17	**16,141**	**17,336**

** Prior year information relates to working capital adjustment of $407,000 for sale of Aqura Technologies Pty Ltd which occurred in FY22.*

The accompanying notes form an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

BASIS OF PREPARATION

Reporting entity

Veris Limited (ASX: VRS; "Veris" or the "Company") is a for-profit company domiciled in Australia. The Company's registered office is at 41 Bishop Street, Jolimont WA 6014. The consolidated financial statements of the Company as at and for the year ended 30 June 2024 comprises the Company and its subsidiaries (together referred to as the "Group").

The company is a fully integrated digital and spatial data 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. It has a national footprint, with a diverse geographic spread of offices, servicing major metropolitan and regional centres 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.

Statement of Compliance

The consolidated financial statements are general purpose financial statements prepared in accordance with Australian Accounting Standards adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The consolidated financial statements comply with International Financial Reporting Standards (IFRSs) adopted by the International Accounting Standards Board (IASB).

This consolidated annual report was approved by the board of directors on 26 August 2024.

Notes to the Consolidated Financial Statements

Group Performance

1. OPERATING SEGMENTS

The Group has only one operating segment during the year, being a fully integrated digital and spatial data advisory and consulting firm with a national footprint servicing major metropolitan and regional centres across Australia.

During the year there were no major customers of the Group, individually representing more than 10% of total Group revenue (2023: none).

2. DISCONTINUED OPERATIONS

The sale of 100% of Aqura Technologies Pty Ltd was completed on 28 February 2022 for cash consideration of $27,482,000, resulting in a pre-tax gain of $22,770,000. The loss after tax shown below reflects a post transaction working capital adjustment related to the sale of Aqura Technologies Pty Ltd, that was agreed and settled in FY2023 in accordance with the transaction documentation.

	2024 $000	2023 $000
Results of Discontinued Operations		
Profit (loss) on sale of discontinued operation	-	(179)
Profit (loss) from discontinued operations for the period, net of tax	-	**(179)**

Effect of disposal on the financial position of the Group

	2024 $000	2023 $000
Trade & other payables	-	357
Net assets and liabilities	-	357
Cash consideration	-	(407)
Less related costs of sale		(129)
Loss/(Profit) on sale of subsidiary, net of tax*	-	179

** Prior year information relates to accounting adjustment of $179,000 for sale of Aqura Technologies which occurred in FY22.*

3. INVESTMENT IN ASSOCIATE

The Company holds an interest of 49% (2023: 49%) in EMFOX Pty Ltd t/a Wumara Group, which is a majority Indigenous owned land and construction surveying company. The Group's interest in EMFOX Pty Ltd is accounted for using the equity method in the consolidated financial statements. The following table summarises the reconciliation and movements in the Group's carrying value of its investment:

	2024 $000	2023 $000
Opening balance of investment in associates 1 July	**279**	**200**
Share of net profit from equity accounted investments*	54	79
Distributions received from associates	(19)	-
Closing balance of investment in associates	**314**	**279**

** The Group has recognised it's expected share of profit from EMFOX Pty Ltd.*

4. EXPENSES

	2024 $000	2023 $000
Employment expenses	66,650	72,847
Subcontractor costs and materials	8,602	8,587
IT expenses	3,075	2,854
Insurance expenses	1,447	1,435
Restructuring expenses	1,130	30
Other expenses	6,178	5,273
Total employment and other expenses	87,082	91,026
Depreciation - Property, plant and equipment	2,608	2,665
Depreciation - Right of use asset	5,211	5,354
Amortisation - Intangible asset	98	8
Impairment - Right of use asset	1,508	-
Total depreciation, amortisation and impairment	9,425	8,027
Total expenses	**96,507**	**99,053**

5. EARNINGS / LOSS PER SHARE

	2024 $000	2023 $000
Earnings / (losses) used to calculate basic EPS ($000)	(4,690)	892
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS (number of shares)	512,698,908	521,777,202
Basic earnings / (losses) per share (cents per share)	(0.91)	0.17
Continuing operations		
Earnings / (losses) used to calculate basic EPS ($000)	(4,690)	1,071
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS (number of shares)	512,698,908	521,777,202
Basic earnings / (losses) per share (cents per share)	(0.91)	0.21

Diluted Earnings per share
Dilutive potential shares relate to Performance Rights granted to eligible employees under the Group's Employee Securities Incentive Plan (refer Note 23). There is no material impact on basic EPS arising from dilutive potential shares.

6. SUBSEQUENT EVENTS

On 2 August 2024 the Company announced and effected the cancellation of 177,747 ordinary shares that were acquired under the Company's on-market buy back that was active during the year.

Other than noted above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

Risk Management

7. ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing the consolidated financial statements in conformity with Australian Accounting Standards, due consideration has been given to the judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

At 30 June 2024, the Group has reassessed all material judgements assumptions and estimates included in the consolidated financial statements, including but not limited to, recoverability of deferred tax assets, provisions against trade debtors and work in progress and impairment of non-current assets. Actual results may differ from these estimates and are subject to achievement of forecasts.

Judgements in applying accounting policies that have a material impact on the amounts recognised in the financial statements relates to revenue recognition and contract assets. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period which the estimates are revised and in any future periods affected.

Going Concern

The consolidated financial statements have been prepared on a going concern basis which contemplates the realisation of assets and the settlement of liabilities in the normal course of business.

Management forecasts are based on assumptions which include the conversion of a pipeline of project work, factoring in some margin growth in project activity above activity levels recorded in the twelve months to 30 June 2024. Management has also assumed recovered revenue rates incrementally higher within the majority of existing and new contracts. Assumptions regarding the efficiency and cost impact of the restructuring initiatives undertaken throughout FY24 also underpin management's forecast assumptions on which the going concern basis has been applied. Furthermore, the Group is supported by a strong net cash balance of $11.1 million at 30 June 2024, coupled with access to longstanding banking and lending relationships, which together provide available capital to support the ongoing operations of the Group.

For these reasons the Directors continue to adopt the going concern basis in preparing these financial statements.

Revenue recognition and contract assets

Revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control – at a point in time or over time – requires judgement such as the assessment of the probability of customer approval of variations and acceptance of claims, estimation of project completion date and assumed levels of project execution productivity. In making these assessments we have considered, for applicable contracts, the individual status of legal proceedings, including arbitration and litigation.

Risk Management (continued)

7. ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Revenue recognition and contract assets(continued)

Revenue arises from providing professional services to our clients whereby we provide an end-to-end spatial data solution 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. These are to be predominately recognised over time with reference to inputs on satisfaction of the performance obligations. The services that have been determined to be one performance obligation are highly inter-related and fulfilled over time, therefore revenue continues to be recognised over time. Incentives, variations, and claims exist which are subject to the same higher threshold criteria of only recognising revenue to the extent it is highly probable that a significant reversal of revenue will not happen.

Recognition of deferred tax assets

The Group recognises a deferred tax asset relating to tax losses incurred and timing differences, as detailed in Note 16. The recoverability of this deferred tax asset is dependent on the generation of sufficient taxable income to utilise those deferred tax assets. Management judgements and estimates are required in the assessment of this recoverability, including forecasting sufficient future taxable income.

8. FINANCIAL INSTRUMENTS

The fair values and carrying amounts of various financial instruments recognised at reporting date are noted below:

	2024		2023	
	Carrying Amount	Financial Liabilities not Measured at Fair Value	Carrying Amount	Financial Liabilities not Measured at Fair Value
	$000	$000	$000	$000
Lease liabilities	(15,903)	(15,903)	(18,957)	(18,957)
Loan	(4,970)	(4,970)	(5,044)	(5,044)

The carrying amounts of the financial instruments are a reasonable approximation of their fair values, on account of their short maturity cycle.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board has established an Audit and Risk Committee, which is responsible for overseeing how management monitors risk and reviewing the adequacy of the risk management framework in relation to the risks faced by the Group. The Committee reports regularly to the Board of Directors on its activities. Risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through their training and management standards and procedures, aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Risk Management Strategies

The Group is primarily exposed to

(i) credit risks;
(ii) liquidity risks; and
(iii) interest rate risks.

The nature and extent of risk exposure, and the Group's risk management strategies are noted overleaf.

8. FINANCIAL INSTRUMENTS (CONTINUED)

Expected credit loss

Expected credit loss is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables and contract assets from customers. Expected credit loss is kept continually under review and managed to reduce the incidence of material losses being incurred by the non-receipt of monies due.

Expected credit loss is managed through monitoring and follow-up of accounts receivable on a regular basis and follow up on overdue customer balances. Bad debts are written off in the year in which they are identified. Specific provisions are made against identified doubtful debts. There has been no change in the above policy since the prior year.

The Group's maximum exposure to credit loss is:

	2024 $000	2023 $000
Cash and cash equivalents	16,141	17,336
Trade and other receivables	14,606	14,083
Contract assets	4,008	5,642
	34,755	**37,061**

The Group does not hold collateral against the credit loss; however, management considers the credit loss risk to be low on account of the risk management policy noted above. The trading terms generally offer 30 days credit from the date of invoice. As of the reporting date, none of the receivables have been subject to renegotiated terms.

The ageing analysis of past due trade and other receivables at reporting date are:

	2024 $000	2023 $000
Current (not past due)	9,130	9,692
Past due 1 – 30 days	4,065	3,441
Past due 31 – 60 days	418	272
Past due 61 – 90 days	342	329
Past due 90 days	1,078	813
Provision for impairment	(427)	(464)
Total	**14,606**	**14,083**

The Group is also subject to credit loss arising from the failure of financial institutions that hold the entity's cash and cash equivalents. However, management considers this risk to be negligible.

The Group's maximum exposure to credit loss for cash, trade and other receivables and contract assets at the reporting date was $34,755,000 (2023: $37,061,000) for Australia. The allowance for impairment for trade and other receivables for 2024 amounted to $427,000 (2023: $464,000). Based on historic default rates and specific identified doubtful debts, the Group believes that no impairment allowance is necessary in respect of trade receivables not past due or past due by up to 30 days.

8. FINANCIAL INSTRUMENTS (CONTINUED)

Expected credit loss (continued)

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2024 $000	2023 $000
Balance 1 July under AASB 9	464	508
Impairment loss reversed	(37)	(44)
Impairment loss provided	-	-
Total	**427**	**464**

Liquidity risks

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Liquidity risk is constantly monitored and managed through forecasting short term operating cash requirements and the committed cash outflows on financial liabilities.

The table below details the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

The following are the contractual maturities of financial liabilities including interest:

2024

Non-derivative financial liabilities	Carrying Amount $000	Contractual Cash Flows $000	6 Months or less $000	6 – 12 Months $000	1 – 2 Years $000	2 – 5 Years $000	>5 Years $000
Lease liabilities	15,903	17,566	2,820	2,820	5,641	5,077	1,208
Trade and other payables	9,548	9,548	9,548	-	-	-	-
Loan	4,970	4,970	846	846	1,692	1,586	-
	30,421	32,084	13,214	3,666	7,333	6,663	1,208

2023

Non-derivative financial liabilities	Carrying Amount $000	Contractual Cash Flows $000	6 Months or less $000	6 – 12 Months $000	1 – 2 Years $000	2 – 5 Years $000	>5 Years $000
Lease liabilities	18,957	21,054	3,640	3,640	7,279	6,277	218
Trade and other payables	7,227	7,227	7,227	-	-	-	-
Loan	5,044	5,044	660	660	1,320	2,404	-
	31,228	33,325	11,527	4,300	8,599	8,681	218

8. FINANCIAL INSTRUMENTS (CONTINUED)

Market risk

Market risk is the risk that changes in market prices, such as interest rates and equity prices will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

Interest rate risk is the risk that the fair values and cash-flows of the Group's financial instruments will be affected by changes in the market interest rates. The Group's cash and cash equivalents, and loans and borrowings are exposed to interest rate risks. The average nominal interest rate is 7.05% for loans and borrowings (2023: 5.68%) detailed in note 20.

Interest sensitivity is calculated for a 1% change below:

	2024		**2023**	
	+1%	**-1%**	**+1%**	**-1%**
Consolidated Group	**$000**	**$000**	**$000**	**$000**
Cash and cash equivalents	(161)	161	(173)	173
Bank borrowings	50	(50)	50	(50)
	111	(111)	123	(123)

Capital Management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors has not implemented a formal capital management policy or a dividend policy.

There were no changes in the Group's approach to capital management during the year. The Group is not subject to externally imposed capital requirements. Capital comprises share capital and retained earnings / accumulated losses.

Currency risk

The Group receivables are all denominated in Australian dollars and accordingly no currency risk exists.

9. CONTINGENT LIABILITIES

A contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A contingent liability may also be a present obligation arising from past events but is not recognised on the basis that an outflow of economic resources to settle the obligation is not viewed as probable, or an amount of the obligation cannot be reliably measured. When the Group has a present obligation, and an outflow of economic resources is assessed as probable and the Group can reliably measure the obligation, a provision is recognised.

As a result of operations the Group may receive contractual claims from clients or end users seeking compensation or litigation. The Group maintains professional indemnity insurance or other contractual arrangements that would severally apply to such claims. At 30 June 2024 no individually significant matters exist where the Group estimates a more than remote likelihood of economic outflow.

As at 30 June 2024, the Group is a defendant in a WHS prosecution involving a workplace incident in July 2022 involving a staff member. The Group is defending all claims and charges associated with the incident, however, notes that the process may result in fines or penalties being imposed of up to $1.5m.

Working Capital

10. TRADE AND OTHER RECEIVABLES

	2024	2023
	$000	**$000**
Trade receivables	14,606	14,083
	14,606	14,083

The Group's exposure to credit and currency risk is disclosed in note 8. Payment terms are typically 30 days.

11. TRADE AND OTHER PAYABLES

	2024	2023
	$000	**$000**
Trade and other payables	9,548	7,227
	9,548	7,227

The Group's exposure to liquidity risk related to trade and other payables is disclosed in note 8.

Capital Employed

12. EMPLOYEE BENEFITS

	2024	2023
Current	**$000**	**$000**
Annual leave	3,504	4,019
Long service leave	2,408	2,486
Superannuation	409	671
Other employee provisions	150	237
	6,471	7,413
Non-current		
Long service leave	1,322	1,296
	7,793	1,296

13. PROPERTY, PLANT AND EQUIPMENT

	2024 $000	2023 $000
Leasehold Improvements at cost	1,281	1,249
Less: accumulated depreciation	(1,181)	(1,104)
Carrying value of leasehold improvements	100	145
Plant and equipment at cost	39,478	37,808
Less: accumulated depreciation	(30,326)	(27,305)
Carrying value of plant and equipment (i)	9,152	10,503
Motor vehicles at cost	14,446	12,148
Less: accumulated depreciation	(10,002)	(7,899)
Carrying value of motor vehicles (ii)	4,444	4,249
Property at cost	24,744	23,885
Less: accumulated depreciation	(15,254)	(12,617)
Less: Impairment right of use asset(iii)	(1,508)	-
Carrying value of property	7,982	11,268
Total written down value	**21,678**	**26,165**

(i) Carrying value of plant and equipment comprises of $8,703,000 (2023: $9,515,000) owned plant and equipment and $449,000 (2023: $987,000) right of use assets.

(ii) Carrying value of motor vehicles comprises of $37,000 (2023: $113,000) owned motor vehicles and $4,407,000 (2023: $4,137,000) right of use assets.

(iii) Impairment of $1,508,498 (2023: $Nil) on right of use asset relates to impairment on Melbourne office lease carrying value as at 30 June 2024.

13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Reconciliations of the carrying amounts of each class of plant and equipment at the beginning and end of the current financial year are set out below.

2024	**Leasehold Improvements $000**	**Plant & Equipment $000**	**Motor Vehicles $000**	**Total $000**
Carrying amount at 1 July 2023	145	9,515	113	9,773
Additions at cost	32	1,744	-	1,776
Transfer asset class/adjustments	-	(17)	-	(17)
Disposals at carrying value	-	(52)	(32)	(84)
Depreciation	(77)	(2,487)	(44)	(2,608)
Carrying amount at 30 June 2024	100	8,703	37	8,840

Right-of-use assets	**Property $000**	**Plant & Equipment $000**	**Motor Vehicles $000**	**Total $000**
Carrying amount at 1 July 2023	11,268	987	4,137	16,392
Additions at cost	898	19	2,068	2,985
Transfer asset class/adjustments	(39)	(42)	261	180
Disposals at carrying value	-	-	-	-
Depreciation	(2,637)	(515)	(2,059)	(5,211)
Impairment	(1,508)	-	-	(1,508)
Carrying amount at 30 June 2024	7,982	449	4,407	12,838

2023	**Leasehold Improvements $000**	**Plant & Equipment $000**	**Motor Vehicles $000**	**Total $000**
Carrying amount at 1 July 2022	174	6,811	184	7,169
Additions at cost	59	3,035	-	3,094
Transfer asset class	-	2,190	-	2,190
Disposals at carrying value	-	-	(15)	(15)
Depreciation	(88)	(2,521)	(56)	(2,665)
Carrying amount at 30 June 2023	145	9,515	113	9,773

Right-of-use assets	**Property $000**	**Plant & Equipment $000**	**Motor Vehicles $000**	**Total $000**
Carrying amount at 1 July 2022	13,634	3,903	2,317	19,854
Additions at cost	475	110	3,515	4,100
Transfer asset class	(1)	(2,190)	1	(2,190)
Disposals at carrying value	-	-	(18)	(18)
Depreciation	(2,840)	(836)	(1,678)	(5,354)
Carrying amount at 30 June 2023	11,268	987	4,137	16,392

Impairment Loss

The Group assesses whether there are indicators that property, plant and equipment may be impaired at each reporting date. There was impairment of $1,508,498 on right of use assets in 2024. (2023: $Nil)

14. INTANGIBLE ASSETS

	Development Costs $000	Total $000
Carrying value 1 July 2023	271	271
Additions	29	29
Amortisation	(98)	(98)
Carrying amount at 30 June 2024	202	202

	Development Costs $000	Total $000
Carrying value 1 July 2022	-	-
Additions	279	279
Amortisation	(8)	(8)
Carrying amount at 30 June 2023	271	271

Taxation

15. INCOME TAX

	2024 $000 Total	2023 $000 Total
Current tax – Australia	-	-
Deferred tax	(1,300)	500
Adjustment for prior periods	-	(898)
Non-recognition of current year deferred taxes	924	399
Derecognition of prior year deferred taxes	631	-
Income tax expense / (benefit) reported in income statement	255	-

The prima facie tax on the result from ordinary activities before income tax is reconciled to the income tax as follows:

Reconciliation of effective tax rate

	2024 $000	2023 $000
Profit / (Loss) before income tax – continuing operations	(4,435)	892
Income tax at 30% (2023: 30%)	(1,330)	268
Add (less) tax effect of:		
Other non-allowable / assessable items	30	232
Adjustment for prior periods	-	(898)
Non-recognition of current year deferred taxes	924	399
Derecognition of prior year deferred taxes	631	-
Income tax expense / (benefit) – continuing operations	255	-

16. DEFERRED TAX ASSETS / LIABILITIES

Deferred tax	Assets		Liabilities		Net	
	2024 $000	2023 $000	2024 $000	2023 $000	2024 $000	2023 $000
Contract assets	-	-	(1,613)	(2,118)	(1,613)	(2,118)
Plant & Equipment	-	-	(1,065)	(938)	(1,065)	(938)
Right of use asset	-	-	(3,851)	(4,918)	(3,851)	(4,918)
Right of use liability	-	-	4,898	5,489	4,898	5,489
Employee Benefits	2,346	2,606	-	-	2,346	2,606
Provisions	128	139	449	489	577	629
Carried forward tax losses*	1,500	2,131	-	-	1,500	2,131
Other	791	926	(124)	(93)	667	833
Tax assets/ (liabilities)	4,765	5,802	(1,306)	(2,089)	3,459	3,714

Movement in deferred tax balances	2024 $000	2023 $000
Opening balance	3,714	3,714
Prior year adjustments[(1)]	-	898
Charge to profit or loss – continuing operations	1,300	(500)
Recognised / (Derecognised)*	(1,555)	(399)
Closing deferred tax asset	3,459	3,714

* Veris Limited tax consolidated group has carried forward tax losses available as at 30 June 2024. Management have performed a review based on current management forecasts and determined that it is no longer probable that future taxable profit over the forecast period will be sufficient to utilise all carried forward tax losses. Management have based their forecasts on the Board approved budget, which incorporates flow through benefits anticipated from recent restructuring initiatives and which are expected to lead to improved operating performance and profitability. This does not impact the future availability of such derecognised tax losses which at the 30 June 2024 year end were $12,837,000 (2023: $11,282,000). Management will continue to reassess the recoverability of deferred tax assets at future reporting dates.

(1) During the prior year, prior period tax returns were resubmitted resulting in the utilisation of historic tax losses and extinguishment of previously recognised current tax obligations.

Net Debt and Equity

17. CASH AND CASH EQUIVALENTS

	2024 $000	2023 $000
Cash at bank and in hand	16,141	17,336
Cash and cash equivalents in the statement of cash flows	16,141	17,336

The Group's exposure to interest rate risk and a sensitivity analysis for the financial assets and liabilities disclosed in note 8.

18. RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH PROFIT AFTER INCOME TAX

	2024 $000	2023 $000
Cash flows from operating activities		
Profit / (loss) after income tax	(4,690)	1,071
Non-cash flows in profit		
Depreciation	7,820	8,019
Amortisation of intangible assets	98	8
Impairment of right of use asset	1,508	-
Share of profit of equity-accounted investees, net of tax	(54)	(79)
Other	-	(697)
Share based payments expense	45	232
Income tax expense / (benefit) from all operations	255	-
	4,982	8,554
Change in trade and other receivables	(523)	1,654
Change in other assets	39	(236)
Change in contract assets	1,634	624
Change in trade payables	2,321	(1,354)
Change in provisions and employee benefits	(916)	(1,092)
Change in provisions – ROU make good	167	(123)
Net cash from operating activities	7,704	8,027

Movements in borrowings

	$000
Opening balance 1 July 2023	24,001
Movements:	
Proceeds from borrowings	1,035
Repayment of borrowings	(1,109)
Repayments of lease liabilities	(696)
(Repayment)/additional AASB 16 borrowings	(2,358)
Closing balance 30 June 2024	20,873

Notes to the Consolidated Financial Statements

19. LOANS AND BORROWINGS

	2024 $000	2023 $000
Current liabilities		
Lease liabilities	4,948	5,532
Loan	1,320	1,200
	6,268	6,732
Non-current liabilities		
Lease liabilities	10,955	13,425
Loan	3,650	3,844
	14,605	17,269
Total loans and borrowings	**20,873**	**24,001**

For the currenting reporting period, interest expenses on lease liabilities were $838,124 (2023: $845,513); information about the Group's exposure to interest rate, and liquidity risks in included in Note 8.

20. TERMS AND DEBT REPAYMENT SCHEDULE

Terms and conditions of outstanding loans were as follows:

	Nominal interest rate%	Year of maturity	2024 $000 Carrying Amount	2023 $000 Carrying Amount
Lease liabilities	2.84 – 8.85	2024 – 2031	15,903	18,957
Loan	6.88 – 7.13	2024- 2027	4,970	5,044
			20,873	**24,001**

The weighted average incremental borrowing rate is applied to lease liabilities. The Loan has a variable interest rate. All loans and borrowings are denominated in Australian Dollars.

	Facility Available 2024 $000	Used 2024 $000	Unused 2024 $000	Facility Available 2023 $000	Used 2023 $000	Unused 2023 $000
Loan[(a)]	5,000	(4,970)	30	5,262	(5,044)	218
Other[(b)]	2,450	(1,330)	1,120	2,450	(1,334)	1,116
Total financing facilities	7,450	(6,300)	1,150	7,712	(6,378)	1,334

(a) The carrying amount of loans was $5.0 million as at 30 June 2024 (2023: $5.0 million).

(b) Other facilities include a $2.0 million (2023: $2.0 million) contingent instrument facility and $450,000 (2023: $450,000) credit card facility.

20. TERMS AND DEBT REPAYMENT SCHEDULE (CONTINUED)

Lease liabilities of the Group are payable as follows:

	Future minimum lease payments	Interest	Present value of minimum lease payments	Future minimum lease payments	Interest	Present value of minimum lease payments
	2024	2024	2024	2023	2023	2023
	$000	$000	$000	$000	$000	$000
Less than 1 year	5,642	(693)	4,948	6,313	(781)	5,532
Between 1 & 5 years	11,707	(968)	10,739	14,524	(1,305)	13,219
After 5 years	218	(3)	215	218	(12)	206
	17,567	(1,664)	15,903	21,055	(2,098)	18,957

Financing is arranged for major leasehold improvements, plant & equipment, and motor vehicle additions.

21. CAPITAL AND RESERVES

Share capital

	2024	2023	2024	2023
	$000	$000	No. of Shares	No. of Shares
Balance at the beginning of the year	50,780	51,670	514,410,131	523,749,464
Issue of ordinary shares related to dividend reinvestment plan (net of costs)	114	-	1,666,861	-
Conversion of Performance Rights	-	-	1,767,706	-
Issued as consideration for business combinations	-	-	-	-
Share buy-back	(483)	(890)	(8,387,026)	(9,339,333)
Balance at the end of the year	50,411	50,780	509,457,672	514,410,131

Movements of ordinary shares issued/(buy-back) during the year

- On 7 November 2023, 1,666,861 ordinary fully paid shares were issued to shareholders under the Dividend Reinvestment Plan at 7 cents per share.
- Total of 8,387,026 ordinary fully paid shares cancelled pursuant to the on-market buy back.

21. CAPITAL AND RESERVES (CONTINUED)

The Group does not have authorised capital or par value in respect of its issued shares.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Group. All shares rank equally with regard to the Group's residual assets.

Reserves

	2024 $000 Share Based Payments	2023 $000 Share Based Payments	2024 $000 Retained Earnings/ (Accumulated Losses)	2023 $000 Retained Earnings (Accumulated Losses)
Balance at the beginning of the year	2,878	2,646	(24,837)	(25,729)
Profit/ (loss) for the year	-	-	(4,690)	892
Dividends paid	-	-	(770)	-
Share based payment transactions	43	232	-	-
Balance at the end of the year	2,921	2,878	(30,297)	(24,837)

The retained earnings reserve represents profits of entities within the Group. Such profits are available to enable payment of franked dividends in future years.

22. DIVIDENDS

On 28 August 2023 the Company declared a fully franked dividend for 2023 of 0.15 cents per share, totalling $770,083; (2023: Nil) with a record date of 19 September 2023 and payment date of 7 November 2023. The cash component was $653,408 and $114,311 net of costs was transacted under the Dividend Reinvestment Plan (DRP) component which applied to this dividend. On 7 November 2023, 1,666,861 shares were issued to shareholders under the Dividend Reinvestment Plan at a price of 7.00 cents per share. The price per share was based on a 2.5% discount to the 10-day volume weighted average price as determined in accordance with clause 6 of the Dividend Reinvestment Plan rules.

A Dividend Reinvestment Plan has been established to provide shareholders with the opportunity to reinvest dividends in new shares rather than receiving cash. The price for shares to be applied for in accordance with the DRP plan for this dividend shall be at a discounted value as prescribed by the plan.

Franking Credit Balance

The amount of franking credits available for the subsequent financial year are:

	2024 $	2023 $
Franking account balance as at the end of financial year at 30% (2023: 30%)	5,183,999	5,535,898

The ability to utilise the franking credits is dependent upon there being sufficient available profits to declare dividends.

The above available amounts are based on the balance of the dividend franking account at year-end adjusted for:

- franking credits that will arise from the payment of the current tax liabilities;
- franking debits that will arise from the payment of dividends recognised as a liability at the year-end;
- franking credits that will arise from the receipt of dividends recognised as receivables by the tax consolidated group at the year-end; and
- franking credits that the entity may be prevented from distributing in subsequent years.

23. SHARE-BASED PAYMENTS

(a) Share – Based Payment expense

The share-based payment expense included within the statement of profit or loss can be broken down as follows:

	2024 $	2023 $
Performance Rights expense	43	232

23. SHARE-BASED PAYMENTS (CONTINUED)

(b) Share – Based Payment Arrangements

As at 30 June 2024, the Group had the following equity settled share-based payment arrangements:

(i) FY2023 Long Term Incentive Plan ("FY23 LTI Plan")

On 19 October 2022 and 3 March 2023, the Group granted Performance Rights to the Managing Director/CEO (approval under ASX Listing rule 10.14) and the CFO and CCO, under the Group's Long Term Incentive Plan in respect of the financial year ended 30 June 2024. Subject to continued employment and achievement of financial performance hurdles (Absolute total shareholder return ('ATSR') and Basic Earnings Per Share), the Performance Rights issued and affecting the financial year ending 30 June 2024, were as follows:

Long Term Incentive Plans	Grant date	Number of Performance Rights Granted	Vesting Date	Vesting Conditions	Lapsed	Vested
FY2023 Long term incentive plan - CEO ("FY23 LTI Plan") (A)	19 October 2022	1,342,857	30 June 2024	Market (B)	1,342,857	-
FY2023 Long term incentive plan - CEO ("FY23 LTI Plan") (A) (B) (C)	19 October 2022	1,342,857	30 June 2024	Non-Market (C)	1,342,857	-
FY2023 Long term incentive plan - CFO ("FY23 LTI Plan") (A) (B) (C)	3 March 2023	782,143	30 June 2024	Market (B)	782,143	-
FY2023 Long term incentive plan - CFO ("FY23 LTI Plan") (A) (B) (C)	3 March 2023	782,143	30 June 2024	Non-Market (C)	782,143	-
FY2023 Long term incentive plan – Senior Employees ("FY23 LTI Plan") (A) (B) (C)	3 March 2023	717,858	30 June 2024	Market (B)	717,858	-
FY2023 Long term incentive plan – Senior Employees ("FY23 LTI Plan") (A) (B) (C)	3 March 2023	717,858	30 June 2024	Non-Market (C)	717,858	-
		5,685,716			**5,685,716**	

(A) On vesting, Performance Rights will automatically convert to ordinary shares on a one for one basis. Performance Rights that do not vest will lapse. An unvested Performance Right will lapse upon the earlier to occur of:

- i. failure to satisfy the applicable vesting conditions;
- ii. the holder purporting to transfer the Performance Right otherwise than with the consent of the Board or by force of law;
- iii. the employment of the holder ceasing, where such a condition was imposed on the grant of the Performance Right;
- iv. in the opinion of the Board, the holder commits any fraudulent or dishonest act or is in breach of his or her obligations to the Company or subsidiary;
- v. the expiry date.

(B) Performance rights will vest upon continued employment to 30 June 2024 and achieving earnings per share (EPS) target of $0.0039.

(C) Performance rights will best upon continued employment to 30 June 2024 and on a percentage basis as determined by total shareholder returns as follows

i. <12.5% p.a. compounded	Nil performance rights vest
ii. 12.5% p.a. compounded	50% of performance rights vest
iii. >12.5% p.a compounded, <20% p.a. compounded	Pro-rate vesting between 50% and 100%
iv. At or above 20% p.a. compounded	100% of performance rights vest

23. SHARE-BASED PAYMENTS (CONTINUED)

(ii) Short term incentive plans and performance rights

Short Term Incentive Plans and Performance Rights	Grant date	Number of Performance Rights Granted	Vesting Date	Lapsed	Vested
FY2024 Short term incentive plan ("FY24 STI Plan") (A) (B) (C)	5 October 2023	4,630,000	30 June 2024	4,630,000	-
FY2024 Short term incentive plan CEO ("FY24 STI Plan CEO") (A) (B)	18 October 2023	1,500,000	30 June 2024	1,500,000	-
Performance Rights COO (A) (D)	2 April 2024	1,250,000	1 April 2025	-	-
		7,380,000		**6,130,000**	

(A) On vesting, Performance Rights will automatically convert to ordinary shares on a one for one basis. Performance Rights that do not vest will lapse. An unvested Performance Right will lapse upon the earlier to occur of:

i. failure to satisfy the applicable vesting conditions;
ii. the holder purporting to transfer the Performance Right otherwise than with the consent of the Board or by force of law;
iii. the employment of the holder ceasing, where such a condition was imposed on the grant of the Performance Right;
iv. in the opinion of the Board, the holder commits any fraudulent or dishonest act or is in breach of his or her obligations to the Company or subsidiary;
v. the expiry date.

(B) Based on continued employment to 30 June 2024 and achieving targeted net profit before tax.

(C) Granted to the CFO, COO (Julie Stanley) and senior employees.

(D) Granted to the new COO (Angus Leitch), on commencement of his employment. Based on continued employment to 1 April 2025.

23. SHARE-BASED PAYMENTS (CONTINUED)

(iii) Measurement of Fair Values of Share-Based Payments

The fair value of the Performance Rights issued under the Group's Incentive Plans has been measured using the following:

(A) Market based vesting conditions. A hybrid multiplier barrier option pricing model. The model incorporates a Monte Carlo simulation, which simulates the Company's share price at the test date and considers the probability of the Absolute Total Shareholder Return ('ATSR') vesting condition being met.

(B) Non-market based vesting conditions. A Black Scholes option pricing model.

The inputs used in the measurement of the fair values at grant date of the equity-settled share-based payments plans were as follows:

Performance Measure	Tranche B[(A)]	Tranche D[(A)]	Performance Shares[(B)]	Performance Rights[(C)]	Performance Rights[(D)]	Performance Rights[(E)]
	Absolute TSR	EPS Target	EPS Target	EPS Target	EPS Target	Continued employment
Weighting of Performance Measure	25%	25%	100%	100%	100%	100%
Exercise price	N/A	N/A	N/A	N/A	N/A	N/A
Volatility[(F)]	60%	60%	N/A	N/A	N/A	N/A
Performance Period	1 Year: 1 Jul 2023 – 30 Jun 2024	2 Years: 1 Jul 2022 – 30 Jun 2024		1 Year: 1 Jul 2023 – 30 Jun 2024	1 Year: 1 Jul 2023 – 30 Jun 2024	1 Year: 2 Apr 2024 – 1 Apr 2025
Risk-free Rate	3.37%	3.37%	3.14%	N/A	N/A	N/A
Remaining Life (years)	-	-	-	-	-	0.75
Share price at grant date	\$0.091	\$0.091	\$0.072	\$0.07	\$0.07	\$0.062
Fair value at grant date	\$0.045	\$0.09	\$0.072	\$0.07	\$0.07	\$0.06

(A) Granted to Managing Director and CEO, CFO and CCO (FY23 LTI plan)

(B) Granted to senior employees

(C) Granted to CFO, COO (Julie Stanley) and senior employees (FY24 STI plan)

(D) Granted to Managing Director and CEO (FY24 STI plan CEO)

(E) Granted to COO (Angus Leitch) (Performance Rights COO)

(F) The measure of expected volatility used is the annualised standard deviation of the continuously compounded rates of return on the share over a period of time.

(c) Unvested Unlisted Performance Rights

There were 11,815,716 unvested unlisted Performance Rights that remained on issue at 30 June 2024 (2023: 11,371,432).

OTHER INFORMATION

24. RELATED PARTIES

Key management personnel compensation

The key management personnel (including Executive Director) compensation included in 'employee benefits' is as follows:

	2024	2023
	$	$
Short-term employee benefits	1,536,478	1,724,059
Post-employment benefits	103,911	107,403
Share-based payment	44,958	104,307
Termination benefit- Cash	13,653	-
	1,699,000	1,935,769

During the year, the Company did not have or repay any loans from related parties (2023: $Nil).

Individual Directors and executives' compensation disclosures

Information regarding individual Directors and executives' compensation and some equity instruments disclosures as required by Corporations Regulations 2M.3.03 is provided in the remuneration report section of the directors' report.

24. AUDITOR'S REMUNERATION

Audit and review services

	2024	2023
KPMG	$	$
Audit and review of financial reports	231,000	221,000
Other assurance services	-	22,985
	231,000	243,985

GROUP STRUCTURE

25. SUBSIDIARIES AND ASSOCIATES

The following entities are consolidated:

Name of Entity	Relationship	Country of Incorporation	Ownership Interest 2024 %	Ownership Interest 2023 %
Veris Limited	Parent Entity	Australia		
Veris Australia Pty Ltd	Controlled Entity	Australia	100	100
The following entity is not consolidated:				
EMFOX Pty Ltd t/a Wumara Group	Associated Entity	Australia	49	49

26. DEED OF CROSS GUARANTEE

Pursuant to ASIC Corporation (wholly owned companies) Instrument 2016/785, all the wholly owned subsidiaries of Veris Limited are relieved from the Corporations Act 2001 requirements for preparation, audit and lodgement of financial reports, and Directors' report.

It is a condition of the Instrument that the Company and each of the subsidiaries (referenced in Note 25) enter into a Deed of Cross Guarantee ("the Deed"). The effect of the Deed is that the Company guarantees to each creditor payment in full of any debt in the event of winding up of any of the subsidiaries under certain provisions of the Corporations Act 2001. If a winding up occurs under other provisions of the Act, the Company will only be liable in the event that after six months any creditor has not been paid in full. The subsidiaries have also given similar guarantees in the event that the Company is wound up.

The consolidated statement of comprehensive income and consolidated statement of financial position, comprising the Company and controlled entities which are a party to the Deed as at 30 June 2024, after eliminating all transactions between parties to the Deed of Cross Guarantee, as of and for the year ended 30 June 2024 is the same as the consolidated statement of comprehensive income and consolidated statement of financial position of the Group as of and for the year ended 30 June 2024.

27. PARENT ENTITY DISCLOSURES

As at, and throughout, the financial year ended 30 June 2024 the parent company of the Group was Veris Limited.

Results for the Year	**2024** **$000**	**2023** **$000**
(Loss) / Profit for the year	(4,690)	234
Other comprehensive income	-	-
Total comprehensive (loss) / profit for the year	(4,690)	234

Financial position of parent entity at year end	**2024** **$000**	**2023** **$000**
Assets		
Current assets	112	144
Non-current assets	22,923	28,685
Total assets	**23,035**	**28,829**
Liabilities		
Current liabilities	-	8
Non-current liabilities	-	-
Total liabilities	-	8
Net assets	**23,035**	**28,821**
Equity		
Share capital	50,411	50,780
Reserves and Accumulated loss	(27,376)	(21,959)
Total equity	**23,035**	**28,821**

ACCOUNTING POLICIES

28. BASIS OF PREPARATION

(a) Presentation Currency

These consolidated financial statements are presented in Australian dollars, which is the Company's functional currency. The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instruments 2016/191 dated 1 April 2016. All financial information presented in Australian dollars has been rounded to the nearest thousand unless otherwise stated.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:

- financial instruments at fair value through profit or loss are measured at fair value

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements and have been applied consistently by Group entities.

29. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

29. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iii) Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity accounted investees, until the date on which significant influence or joint control ceases.

(iv) Transactions eliminated on consolidation

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(b) Financial instruments

(i) Non-derivative financial assets

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial assets: cash, trade receivables and contract assets.

Trade receivables

Trade receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Expected credit loss

From 1 July 2019, the Group assesses on a forward-looking basis the expected credit losses associated with its financial assets measured at amortised cost, contract assets and debt instruments at Fair Value through Other Comprehensive Income (FVOCI) but not to investments in equity instruments. The Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

29. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(ii) Non-derivative financial liabilities

The Group initially recognises financial liabilities (including liabilities designated at fair value through profit or loss) on the trade date at which the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial liabilities: loans and borrowings, bank overdrafts, and trade and other payables.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest rate method for all others.

(iii) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects. Dividends on ordinary shares are recognised as a liability in the period in which they are declared.

(c) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised in profit or loss.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

29. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iii) Depreciation

Depreciation is recognised in profit or loss on either a straight-line or diminishing value basis over the estimated useful lives of each part of an item of property, plant and equipment. Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use.

The depreciation rates for the current and comparative periods are as follows:

- Plant and equipment 14-33%
- Motor vehicles 14-20%
- Leasehold Improvements 20%
- Property 8-20%

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

(d) Intangible assets

Intangible assets with finite lives are amortised over the useful life and assessed for impairment at least twice a year or whenever there is an indication that the intangible asset may be impaired. The amortisation period and amortisation method are reviewed at least each financial year end. Changes in the expected useful life or flow of economic benefits intrinsic in the asset are an accounting estimate. The amortisation charge on intangible assets with finite lives is recognised in the statement of profit or loss and other comprehensive income.

The amortisation rate for the current period is 33%.

(i) Development costs

Research costs are expensed as incurred. Costs incurred on development projects are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be reliably measured. Expenditure capitalised comprises all directly attributable costs including costs of materials, services and direct labour. Other development expenditure that do not meet these criteria are recognised as an expense as incurred. Amortisation is calculated using the straight-line method to allocate the cost of intangible over its estimated useful life (1-5 years) commencing when the intangible is available for use. The carrying value of an intangible asset arising from development expenditure is tested for impairment when an indication of impairment arises during the period.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

29. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Impairment

(i) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

Any impairment loss on a disposal group first is allocated to goodwill, and then to remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets and employee benefit assets, which continue to be measured in accordance with the Group's accounting policies. Impairment losses on initial classification as held for sale and subsequent gains of losses on re-measurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

(f) Employee benefits

(i) Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs. That benefit is discounted to determine its present value.

(ii) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(iii) Share-based payment transactions

The grant date fair value of rights granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The amount recognised as an expense is adjusted to reflect the actual number of performance rights for which the related service and non-market vesting conditions are met.

29. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(h) Revenue

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. Construction contract revenue is recognised in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably. As soon as the outcome of a contract can be estimated reliably, contract revenue is recognised in profit or loss in proportion to the stage of completion of the contract. Contract expenses are recognised as incurred unless they create an asset related to future contract activity.

(i) Contract assets

Contract assets represents the gross unbilled amount expected from customers for contract work performed to date. It is measured at cost plus profit recognised to date less progress billings and recognised losses. Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the Group's contract activities based on normal operating capacity.

Contract liabilities (income received in advance) represents billings in advance of work completed.

(j) Finance income and expense

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Finance expenses comprise interest expense on borrowings. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit and loss using the effective interest method.

(k) Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

29. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Taxation (continued)

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The recoverability of this deferred tax asset is dependent on the generation of sufficient taxable income to utilise those tax losses. Management judgements and estimates are required in the assessment of this recoverability, including forecasting sufficient future taxable income. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(i) Tax consolidation

The Group and its wholly-owned entities are part of a tax-consolidated group. As a consequence, all members of the tax-consolidated group are taxed as a single entity from that date. The head entity within the tax-consolidated group is Veris Limited.

The Group recognises deferred tax assets arising from unused tax losses of the tax-consolidated group to the extent that it is probable that future taxable profits of the tax-consolidated group will be available against which the asset can be utilised. Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability is recognised by the head entity only.

(ii) Nature of tax funding arrangements and tax sharing arrangements

The head entity, in conjunction with other members of the tax-consolidated group, has entered into a tax funding arrangement which sets out the funding obligations of members of the tax-consolidated group in respect of tax amounts. The head entity in conjunction with other members of the tax-consolidated group has also entered into a tax sharing agreement. The tax sharing agreement provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement as payment of any amounts under the tax sharing agreement is considered remote.

29. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Taxation (continued)

(iii) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet. Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(l) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise performance rights granted to employees.

(m) Segment reporting

The Group determines and presents operating segments based on the information that internally is provided to the Group's chief operating decision maker.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are regularly reviewed by the Group's Managing Director/CEO to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Group's Managing Director/CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income tax assets and liabilities.

(n) Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. The government grants received were offset against employee expenses. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in the statement of profit or loss in the period in which they become receivable.

(o) Prior year comparatives

Certain comparative information has been re-presented so it is in conformity with the current year classification.

30. NEW STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE

During the year, the Group has adopted all of the new and revised Accounting Standards and Interpretations issued by the AASB that are relevant to its operations and effective for reporting periods beginning on or after 1 July 2023, including:

- Amendments to AASB 112 - International Tax Reform – Pillar Two Model Rules
- Amendments to AASB 7, AASB 101, AASB 108 and AASB 134 – Disclosure of Accounting Policies and Definition of Accounting Estimates
- Amendments to AASB 1 and AASB 112 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- AASB 17 – Insurance Contracts.

The following standards, amendments to standards and interpretations are available for early adoption. They have not yet been assessed by the Group but are not expected to have a significant impact on the Group's consolidated financial statements:

- Amendments to AASB 107 and AASB 7 – Supplier Finance Arrangements
- Amendments to AASB 101 – Classification of Liabilities as Current or Non-current
- Amendments to AASB 101 – Non-current Liabilities with Covenants
- Amendments to AASB 16 – Lease Liability in a Sale and Leaseback
- Amendments to AASB 10 and AASB 128 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to AASB 121 – Lack of exchangeability
- AASB 18 - Presentation and Disclosure in Financial Statements.

31. DETERMINATION OF FAIR VALUES

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the methods set out below. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Property, plant and equipment

The fair value of property, plant and equipment recognised as a result of a business combination is based on market values. The market value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The market value of items of plant, equipment, fixtures and fittings is based on the quoted market prices for similar items.

(ii) Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

(iii) Share-based payment transactions

The fair value of employee stock options is measured using a binomial option pricing model.

The fair value of share performance rights is measured using a hybrid multiple barrier option pricing model. This model incorporates a Monte Carlo simulation.

Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), weighted average expected life of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining the fair value.

Consolidated Entity Disclosure Statement

For the year ended 30 June 2024

The following table provides a list of all entities included in the Group's consolidated financial statements, prepared in accordance with the requirements of Section 295(3A) of the Corporations Act. The ownership interest is only disclosed for those entities which are a body corporate, representing the direct and indirect percentage share capital owned by the Company.

Name of Entity	Relationship	Type of Entity	Country of Incorporation	Australia or Foreign Tax Resident	Jurisdiction for Foreign Tax Resident	% of Share Capital Held Directly or Indirectly by the Company in the Body Corporate
Veris Limited [(A)]	Parent	Body corporate	Australia	Australia	N/A	
Veris Australia Pty Ltd [(B)]	Controlled	Body corporate	Australia	Australia	N/A	100

(A) Veris Limited is the holding company listed on the ASX and incorporated in Australia.

(B) Veris Australian Pty Ltd is the operating subsidiary of the Company, incorporated in and operates in Australia.

Key assumptions and judgements

Determination of Tax Residency

Section 295 (3A) of the Corporations Acts 2001 requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed. In the context of an entity which was an Australian resident, "Australian resident" has the meaning provided in the Income Tax Assessment ACT 1997. The determination of tax residency involves judgement, as the determination of tax residency is highly fact dependent.

In determining tax residency, the consolidated entity has applied the following interpretations:

- Australian tax residency
  The consolidated entity has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in Tax Ruling TR 2018/5.

Directors' Declaration

1. In the opinion of the directors of Veris Limited ("the Company"):

   (a) the consolidated financial statements and notes set out on pages 49 to 85 and the Remuneration report on pages 37 to 46 in the Directors' report, are in accordance with the Corporations Act 2001(Cth) including:

      (i) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and

      (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and

   (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

   (c) the Consolidated entity disclosure statement as at 30 June 2024 set out on pages 86 is true and correct.

2. There are reasonable grounds to believe that the Company and the group entities identified in note 25 will be able to meet any obligations or liabilities to which they are or may become subject to by virtue of the Deed of Cross Guarantee between the Company and those group entities pursuant to ASIC Class Order 2016/191.

3. The directors have been given the declarations required by Section 295A of the Corporations Act 2001(Cth) from the chief executive officer and the chief financial officer for the financial year ended 30 June 2024.

4. The directors draw attention to page 53 to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the directors:

Karl Paganin
Chairman

Dated at Perth 26 August 2024

Independent Auditor's Report

To the shareholders Veris Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Veris Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the ***Group***'s financial position as at 30 June 2024 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated Statement of Financial Position as at 30 June 2024;
- Consolidated Statement of Profit or Loss and Comprehensive Income, Consolidated Statement of Changes in Equity, and Consolidated Statement of Cash Flows for the year then ended;
- Notes, including material accounting policies;
- Consolidated Entity Disclosure Statement and accompanying basis of preparation as at 30 June 2024; and
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

This matter was addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

<table>
<tr><th colspan="2">Recognition of Revenue ($92.592m) and Contract Assets ($4.008m)</th></tr>
<tr><td colspan="2">Refer to Note 8 to the Financial Report</td></tr>
<tr><td>The key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>Recognition of revenue and contract assets is a Key Audit Matter due to the:
• Significance of revenue to the financial statements, including a large number of contracts with customers and the degree of estimation and judgement involved in revenue recognition, particularly at year-end. Such estimates and judgements include assessment of the probability of customer approval of variations and acceptance of claims; and
• The Group’s determination of contractual entitlement to Contract Asset balances including assessment of performance obligations.
We focused on the Group’s determination of the revenue recognised from variable consideration being highly probable of not reversing. The Group’s determination of an amount that is highly probable requires a degree of estimation and judgement. This increased the audit effort we applied to gather sufficient appropriate audit evidence that the variable consideration is highly probable.</td><td>Our procedures included:
• Obtaining an understanding of the Group’s key processes for recognition of revenue from contracts with its customers;
• Considering the appropriateness of the Group’s accounting policies for the recognition and measurement of revenue, including variable consideration, against the requirements of AASB 15 Revenue from Contracts with Customers (AASB 15);
• Assessing the Group’s estimation method in recognising revenue, including variations and claims, to the extent it is highly probable that a significant reversal will not occur, particularly at year-end. We performed this, on a sample basis, by examining underlying evidence including, where applicable, project spend and correspondence with customers accepting contract terms or invoicing;
• Assessing the Group’s recognition of contract asset balances at year-end. Our testing, on a sample basis, included checking evidence, as outlined in the procedure above, of AASB 15 revenue recognition criteria, including an enforceable right and achievement of performance obligations; and
• Assessing the appropriateness of disclosures in the financial statements using our understanding obtained from our testing and against the requirements of AASB 15.</td></tr>
</table>

Other Information

Other Information is financial and non-financial information in in Veris Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- Preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*;
- Implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error; and
- Assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- To obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- To issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Veris Limited for the year ended 30 June 2024, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 37 to 46 of the Directors' report for the year ended 30 June 2024.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG

Glenn Diedrich
Partner
Perth
26 August 2024

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Veris Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Veris Limited for the financial year ended 30 June 2024 there have been:

i. No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. No contraventions of any applicable code of professional conduct in relation to the audit.

KPMG.

KPMG

Glenn Diedrich
Partner
Perth
26 August 2024

Additional Information

Additional Information per ASX Listing Rules - Unaudited

Additional information required by ASX Listing Rules and not disclosed elsewhere in this report is set out below.

Corporate Governance Statement

The Group's Corporate Governance Statement can be found at:

www.veris.com.au/investors/corporate-governance

Shareholder Information as at 26 July 2024

Top 20 Shareholders of Quoted Securities

Rank	Name	Shares	% of Issued Capital
1	SHERKANE PTY LTD	103,247,357	20.27
2	CARRIER INTERNATIONAL PTY LIMITED <SUPER FUND A/C>	42,908,331	8.42
3	OCEAN TO OUTBACK ELECTRICAL PTY LTD <AP & TL LAMOND FAMILY A/C>	35,005,229	6.87
4	MR BRIAN ELTON	28,586,321	5.61
5	ICON HOLDINGS PTY LTD <THE K & A PAGANIN S/F A/C>	19,521,494	3.83
6	CONCEPT WEST COMMUNICATIONS PTY LTD <THE T YOUNG FAMILY A/C>	11,508,540	2.26
7	ELTON PROPERTY PTY LTD <ELTON CONSULTING S/F A/C>	11,160,829	2.19
8	EVANS FAMILY NOMINEES PTY LTD <THE EVANS FAMILY A/C>	9,715,309	1.91
9	SHEFFIELD MANAGEMENT PTY LTD <MARK S HANCOCK S/F A/C>	5,173,732	1.02
10	RIKO PTY LTD <SAMPSON FAMILY SF A/C>	5,000,000	0.98
11	BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	4,956,551	0.97
12	MS JENNY LEE RUDOLPH	4,829,104	0.95
13	ROUND ETERNAL INVESTMENTS PTY LTD <VISION SPLENDID A/C>	4,700,000	0.92
14	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	4,404,478	0.86
15	MRS JASMINE KRKLJES	4,400,000	0.86
16	SILCHESTER INVESTMENTS PTY LTD	4,378,482	0.86
17	MANDEL PTY LTD <MANDEL SUPER FUND A/C>	4,350,000	0.85
18	ROCKDALE FARMING PTY LTD	4,214,285	0.83
19	MILES AND MILES PTY LTD <MILES ATC SUPER FUND A/C>	4,000,603	0.79
20	OCEAN TO OUTBACK ELECTRICAL PTY LTD <AP & TL LAMOND S/F A/C>	3,936,586	0.77
Total		**315,997,231**	**62.03**

Additional Information

Substantial Holders of 5% or more of fully paid ordinary shares

Shareholder	Shares	Voting Power
SHERKANE PTY LTD	103,247,357	20.27%
CARRIER INTERNATIONAL PTY LIMITED <SUPER FUND A/C>	42,908,331	8.42%
OCEAN TO OUTBACK ELECTRICAL PTY LTD <AP & TL LAMOND FAMILY A/C> (and other related parties of Adam Lamond)	35,005,229	6.87%
MR BRIAN ELTON	28,586,321	5.61%

Distribution of Shareholders

Spread of Holdings	Ordinary Shares	Performance Rights
1 - 1,000	49	-
1,001 - 5,000	68	-
5,001 - 10,000	97	-
10,001 - 100,000	332	-
100,001+	316	8
Total on Register	**862**	**8**

Non-Marketable Parcels

Number of shareholders holding less than a marketable parcel is 185.

Voting Rights

Ordinary Shares

Voting rights on a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Performance Rights

There are no voting rights attached to Performance Rights

Restricted Securities

There are no restricted securities on issue.

Unquoted Equity Securities

At the date of this report, there are 11,815,716 unissued shares of the group under performance rights as follows:

FY2023 Long Term Incentive Plan ("FY23 LTI Plan")	5,685,716
FY2024 Short Term Incentive Plan ("FY24 STI Plan")	3,380,000
FY2024 Short Term Incentive Plan CEO ("FY24 STI Plan CEO")	1,500,000
Performance Rights COO	1,250,000
TOTAL	**11,815,716**

Securities Exchange

The Group is listed on the Australian Securities Exchange. The Home exchange is Perth. The ticker code is VRS.

Corporate Directory

Board of Directors

Karl Paganin (Non-Executive Chairman)

Michael Shirley (Managing Director & CEO)

Brian Elton (Non-Executive Director)

David Murray (Non-Executive Director)

Jason Waller (Non-Executive Director)

Company Secretary

Steven Harding (CFO)

Principal and Registered Office

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Share registry

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Level 17, 221 St Georges Terrace
Perth WA 6000
Telephone: +61 8 9323 2000

Auditors

KPMG
235 St Georges Terrace
Perth WA 6000
T: +61 8 9263 7171

Solicitors

Steinepreis Paganin
Level 4, 16 Milligan Street
Perth WA 6000
T: +61 8 9321 4000

Bankers

Commonwealth Bank of Australia
95 William Street
Perth WA 6000
T: +61 8 9282 7004

Westpac Banking Corporation
130 Rokeby Road
Subiaco WA 6008
T: +61 8 6389 6344

Stock exchange

Australian Securities Exchange Limited
Company code: VRS

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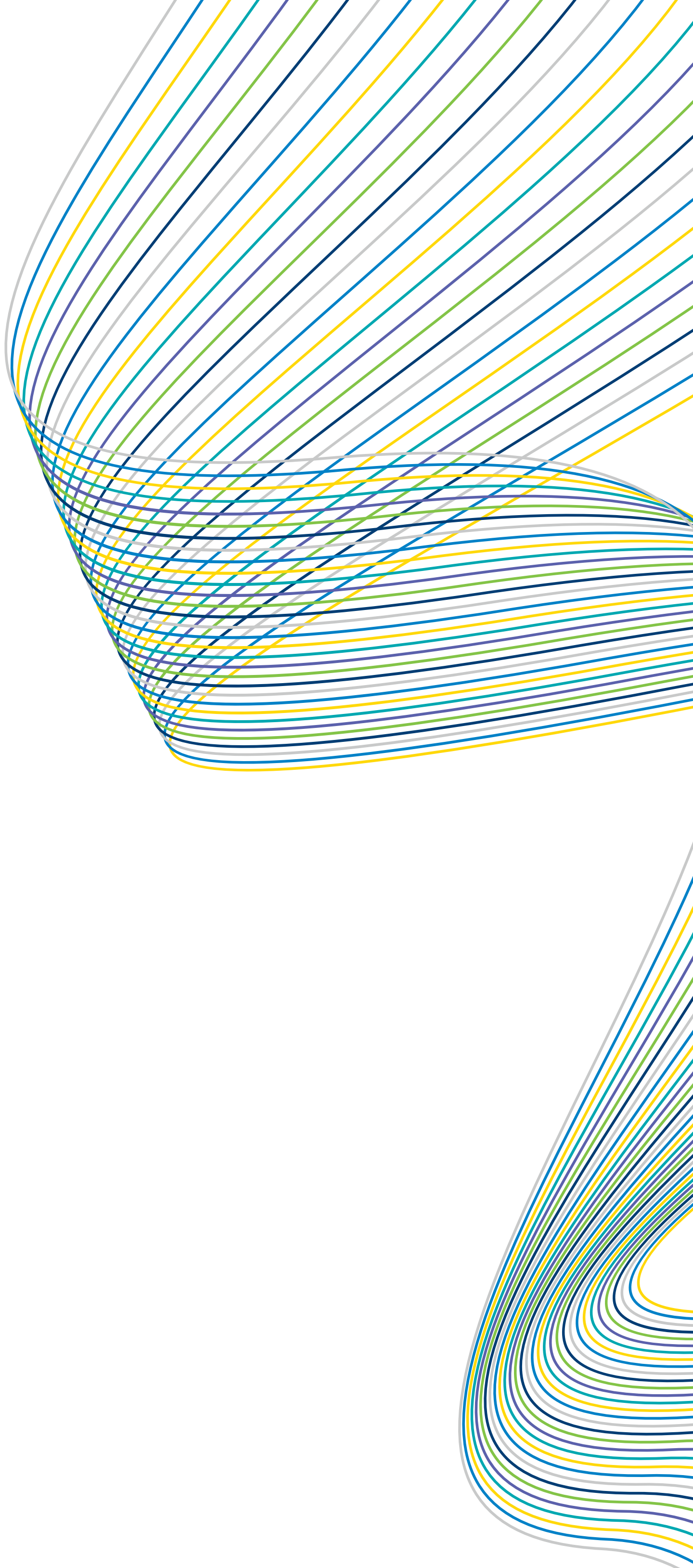

CORPORATE OFFICE

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