

28 August 2025

Verbrec Results and Final Dividend for FY2025

Verbrec Limited (ASX : VBC) (**Verbrec** or the **Company**) a leading engineering, asset management, project delivery, operations & maintenance, training and mining technology service provider that supports customers across Australia and the Pacific, today announces its results for the financial year ended 30 June 2025.

Financial Results Commentary

Verbrec produced the highest gross margins since 2015 in FY2025 of 37.3% (FY2024: 35.8%). EBITDA adjusted for the impacts of performance rights expenses was 10.3% (FY2024: 9.7%)

Including the impacts from discontinued operations, Verbrec improved comprehensive profits in FY2025 to \$3.8 million (FY2024: \$2.0 million).

FY2025 Financial Results Summary

	FY2025 (\$'000)	FY2024 (\$'000)
Revenue	85,617	93,351
Gross Profit	31,957	33,405
Total Comprehensive Profit / (Loss) attributable to owners of the Company	3,770	2,000
Foreign currency translation differences	(35)	(52)
Loss from discontinued operation	-	2,806
Finance expense	772	1,015
Depreciation & amortisation expense	3,668	3,375
Income tax expense/ (benefit)	(233)	(376)
EBITDA	7,942	8,768
Share based performance rights expense ¹	907	290
Adjusted EBITDA	8,849	9,058
Adjusted EBITDA Margin	10.3%	9.7%

At the half-year, Verbrec noted a trend of restricted capital spend and project deferrals from its clients. This trend was the result of inflationary pressures, global political uncertainties and the Australian Federal election. In addition, revenues were impacted in H2 FY2025 due to the effects of Queensland Cyclone Alfred.

¹ Share based performance rights expenses are initially forecast using probabilistic methods, including monte carlo simulation and binomial option pricing models. The impacts were higher than typical due to over-performance against the vesting criteria in the FY2024 measurement period, when compared to the forecast. The vesting tests occur after the end of the relevant measurement period, thus over-performance against vesting-criteria in FY2024 results in an expense recognised in FY2025. Given that certain tranches of the Verbrec Limited Rights Plan have been fully expensed in FY2025, proportionately less performance rights expense is forecast for future years.

Verbrec Limited

ASX : VBC

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Share Registry

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These trends were temporary, and as macroeconomic uncertainties ease, it is expected that client sentiment will improve. Verbrec expects it will be in a better position to execute its opportunity pipeline in FY2026.

Improved Balance Sheet & Cash Position

Despite lower-than-expected revenue during the period, through prudent overhead controls and profitable project execution, Verbrec has improved its balance sheet.

Verbrec increased its cash position to \$7.1 million (FY2024: \$4.6 million), has improved its net asset position to \$23.8 million (FY2024: \$19.2 million) and has produced a net-cash position of \$2.3 million (FY2024: (\$2.0) million).

With stable profit margins and a net cash position, the Board and CEO have a renewed focus on allocating capital. This may include investments in organic and geographic growth and investing in strategic acquisitions should an opportunity arise that complements Verbrec's services offering and expands its revenue, client-base and capability.

FY2025 Balance Sheet and Cash Summary

	FY2025 (\$'000)	FY2024 (\$'000)
Total Assets	49,408	47,694
Total Liabilities	25,566	28,529
Total equity attributable to owners of the Company	23,842	19,165
Net increase in cash and cash equivalents ²	2,519	157
Cash and cash equivalents at the end of the year	7,137	4,618

Reintroduction of Dividend Program

The Board, having considered the stability of the group's profit margins and the cash position have approved the distribution of a final dividend for FY2025.

Reintroduction of a dividend program has long been a goal for the Board and emphasises the Board's confidence in the management team and the strategic direction and stability of the Company.

FY2025 Dividend Summary

	FY2025 FINAL DIVIDEND
Total approved dividend (cents per share)	0.1
Fully Franked at 30%	YES
Dividend Reinvestment Plan applicable	NO
Record Date for determining entitlement to dividend	26 September 2025
Date dividend is to be paid	17 October 2025

² Including effects of exchange rates on cash and cash equivalents.

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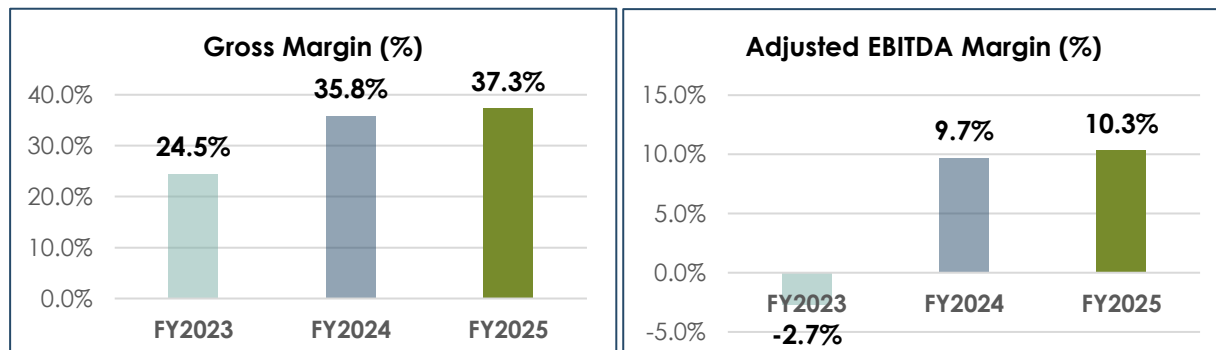
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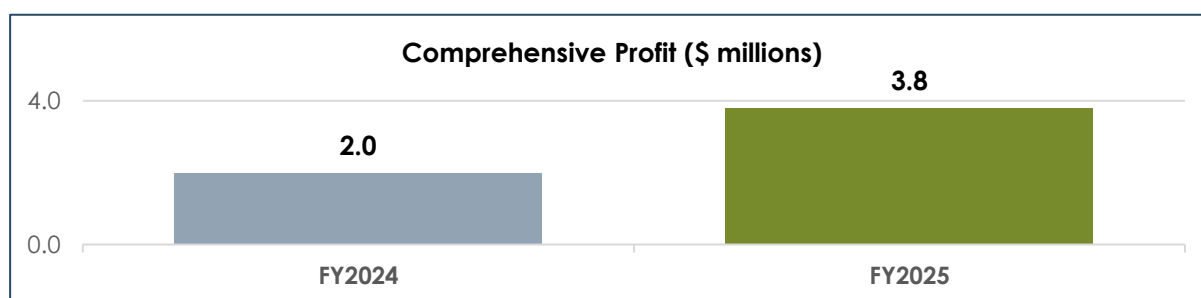
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Results Highlights

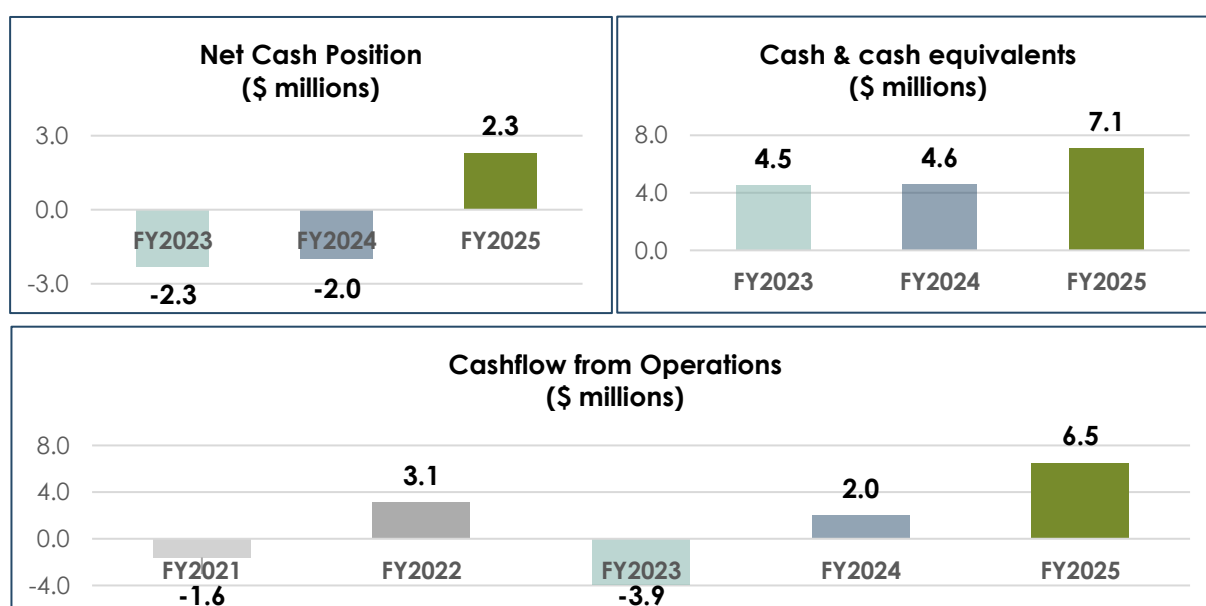
Verbrec continues to produce higher gross margins and strong adjusted EBITDA margins, establishing another multi-year high gross margin in the year ended 30 June 2025.



Verbrec posts strong comprehensive profit in FY2025 of \$3.8 million (FY2024: \$2.0 million), attributable to execution of Verbrec's strategy, delivery of economically favourable projects and a financial year not impacted by the effects of discontinued operations.



Verbrec has returned to a net cash position and produced the strongest net cashflow from operations since 2020, ending the year with \$7.1 million in cash and cash equivalents, providing the opportunity to invest in growth.



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Significant Projects and Contracts in FY2025

Verbrec secures over \$11 million in new contracts ³

In May 2025, Verbrec announced that it had secured Commonwealth Defence electrical projects, major control system upgrades and design works related to water infrastructure and early works and constructability design projects for pipeline and process facilities, together valued at over \$11 million.

These projects highlight Verbrec's expertise in high-voltage and electrical systems, control and automation, pipelines and the continued success in the water and gas market transition sectors.

Verbrec signs StacksOn Reseller Agreement with Datamine

In March 2025, Verbrec announced that its wholly owned subsidiary StacksOn Operations Pty Ltd had entered into a Software Reseller Agreement with Datamine for Verbrec's stockpile digital twin product, StacksOn.

StacksOn specialised functionality compliments Datamine's integrated software solutions for the entire mining value chain. Through Datamine's established international customer base and market leading reputation, the Agreement has the potential to introduce the benefits of StacksOn to mining operations which otherwise would not be readily accessible to Verbrec alone.

Verbrec secures \$4.2 million Port Adelaide electrical project ³

In December 2024, Verbrec announced it was awarded a \$4.2 million contract by Flinders Ports to undertake M Berth Facility Electrical System Redevelopment Project. By undertaking this important upgrade, when successfully delivered, this will provide for reliable site operations at the M Berth Facility for the foreseeable future.

Verbrec delivering on strategy – Over \$25 million revenue expected from recent Gas Market Transition & Decarbonisation project awards ³

Verbrec in November 2024 announced that it had secured several major extensions to multi-year operations contracts, major pipeline design contracts and milestones achieved from renewable gas and carbon capture and storage projects that Verbrec worked on. The increase in client investment into the Gas Market Transition with the plan to pilot and commercialise renewable gas technologies and adapting traditional gas assets for firming of the grid. Verbrec is well positioned to continue to grow its revenue by collaborating with its relationship clients in this space.

Outlook & Summary

Verbrec executed its strategy throughout FY2025, delivering important projects for relationship clients, with a greater proportion of revenues derived from its Sustainable Focus Areas in FY2025 when compared to FY2024.

With stable profits and growing gross margins, Verbrec has reported a net-cash position with the highest cash and cash equivalent balance reported at year-end since FY2022.

The Board of Directors has approved a final dividend for FY2025 of 0.1 cps.

³ The individual contracts referred to in this release are not considered by the Company to be of sufficient size individually to be considered market sensitive as that term is defined under ASX Listing Rule 3.1 and Guidance Note 8. The terms of the contracts are customary and names of the counterparties are also non-material and consistent with ASX Listing Rule 3.1 do not warrant specific disclosure.

In addition to the reintroduction of a dividend program, Verbrec's Board and CEO are giving careful consideration to allocation of capital including opportunities to invest in organic growth, geographic expansion and strategic acquisitions.

Management expects the trends that impacted revenue generation in H2 FY2025 to continue to ease. Management aim to grow revenues in FY2026, as clients revise their budgets and approve capital spend. With prudent focus on expense reduction in recent years, management aim to maintain a lean overhead base for optimised bottom-line conversion of revenues.

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Authorised for release by the Board of Directors of Verbrec Limited.

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About Verbrec Limited

Verbrec Limited (ASX : VBC) (Verbrec or the Company) a leading engineering, asset management, project delivery, operations & maintenance, training and mining technology service provider that supports customers across Australia, New Zealand, Papua New Guinea and beyond. The Company serves the energy, infrastructure, and mining industries through their technical specialties; asset management, automation and control, pipelines, power, process plant and training, with capabilities that span across the entire life cycle of an asset. Verbrec is an Australian Securities Exchange listed company (ASX:VBC).

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