



VEEM RECEIVES INITIAL ORDER FOR NEXT SUBMARINE REFIT

Highlights:

- VEEM has received an initial order from ASC for \$3 million in relation to the next full cycle docking for the Collins Class maintenance program.
- The initial order reflects a sophisticated scheduling approach to the next full cycling docking taking into account COVID considerations for long lead time items and forecasted changes in metals pricing providing ASC with certainty around future timing and pricing while allowing VEEM to plan future production and supply chain commitments.
- The receipt of these initial orders demonstrates the recurring nature of the demand for VEEM's traditional, highly specialised defence engineering capability and provides certainty around defence revenue forecasts
- The full purchase order is expected to be worth in the order of \$9 million and commence delivery around July 2022

VEEM Limited (ASX: VEE) ('VEEM' or 'the Company'), a designer and manufacturer of disruptive, high-technology marine propulsion and stabilization systems for the global luxury motor yacht, fast ferry, commercial workboat and defence industries, is pleased to announce that it has received an initial order from ASC for \$3 million in relation to the next full cycle docking for the Collins Class maintenance program.

This initial order for the next submarine refit follows a long history of work successfully completed by VEEM for ASC and highlights VEEM's ability to consistently deliver highly-specialised engineering that meets the stringent standards required for defence contracts.

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The full contract is expected to be worth in the order of \$9 million, similar to the current contract being delivered (refer to the ASX announcement of 18 March 2020). Orders on suppliers will be placed immediately by VEEM with work commencing in the next financial year with deliveries expected to commence around July 2022.

VEEM Managing Director Mark Miocevich said: "The new order from ASC is further demonstration of our reputation for precision engineering to the exacting defence standards of the Royal Australian Navy. This order will provide certainty to our planning and positively impact our profitability in the 2022 and 2023 financial years.

This ASX announcement was authorised for release by VEEM Managing Director, Mark Miocevich.

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ABOUT VEEM LIMITED (ASX: VEE)

VEEM Ltd is a designer and manufacturer of disruptive, high-technology marine propulsion and stabilization systems for the global luxury motor yacht, fast ferry, commercial workboat and defence industries. VEEM's market leading Gyrostabilizers significantly reduce the rolling motion of vessels in waves, increasing on-sea time and improving personnel safety and efficiency in a wide range of ocean conditions.

VEEM is also a successful producer of high-performance propellers, fin systems and specialised components delivering consistent profits, cash flow and dividends while also reinvesting in research and development for new products and processes.

Proudly headquartered in Perth, Western Australia, VEEM operates from a 14,700 sqm purpose-built fabrication and manufacturing facility, including Australia's largest non-ferrous foundry. VEEM employs approximately 180 staff in Australia, including graduates and apprentices, and maintains a highly skilled research and development team in-house. Celebrating its 50th anniversary in business in 2018, VEEM listed on the Australian Securities Exchange in 2016. www.veem.com.au

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