



VEEM REPORTS STRONG PROFIT GROWTH FOR FY23 NPAT UP 226% TO \$4.1M

Highlights FY23 Results:

- VEEM's revenue for the year was \$59.6m up 10% on FY22 with total activity (Sales + change in WIP) for FY23 of \$63.5m.
- EBITDA and NPAT were \$10.0m and \$4.1m, up 64% and 226% respectively on FY22.
- Cashflow from operations was \$6.1m, up 143% on FY22.
- EPS of 3.03 cents per share, up 226% on the prior period.
- Gyro sales for the year were \$5.0m with orders in hand of \$11m.
- Three new propeller machining centres, associated equipment and tooling were installed and commissioned with May and June 2023 each recording a new record for propeller sales.
- VEEM signed an exclusivity agreement with Strategic Marine for fast crew boats servicing offshore energy in SE Asia. Strategic have committed to purchase a further 12 gyros over the next three years. Refer ASX release of 26 June 2023.
- VEEM has invested over \$9.6m in capital and development expenditure during FY23 including the three machining centres and associated equipment noted above.

VEEM Limited (ASX: VEE) ('VEEM' or 'the Company'), a designer and manufacturer of disruptive, high-technology marine propulsion and stabilisation systems for the global luxury motor yacht, fast ferry, commercial workboat and defence industries, is pleased to report its financial results for FY23 including Net Profit after Tax of \$4.1m. This represents an increase of 226% compared to FY22.

The company declared a final unfranked dividend of 0.51 cents per share for the year ended 30 June 2023. An interim unfranked dividend for the year ended 30 June 2023 of 0.4 cents per share was paid on 19 April 2023.

VEEM generated strong operational cash flows of \$6.1m, up 143% compared to the prior period.

VEEM Managing Director Mark Mioceovich said: "The 226% increase in NPAT for FY23 is a great result for VEEM. This comes on the back of a 10% increase in revenue, demonstrating that our margins have improved.

"Importantly, VEEM invested \$9.6m in capital and development assets during FY23 which will deliver improved returns for shareholders into the future through increased capacity, efficiency and product development. As always, VEEM's R&D spend was significant at \$2.8m for the year – another investment into the future of the company.

"We have started FY24 in very strong fashion and our FY23 investments, particularly in propellers, are contributing strongly to revenue and profit."

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



Further information:

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ABOUT VEEM LIMITED (ASX: VEE)

VEEM Ltd is a designer and manufacturer of disruptive, high-technology marine propulsion and stabilisation systems for the global luxury motor yacht, fast ferry, commercial workboat and defence industries. VEEM's market leading Gyrostabilisers 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 200 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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