

STRATEGIC MARINE ACCELERATES GYROSTABILIZER DELIVERIES

Highlights:

- Strategic Marine has advised that the VG140SD VEEM Gyro will now be fitted as standard on its fourth-generation fast crew boat (FCB) due to the benefits afforded through improved stabilisation.
- As a result, Strategic Marine has accelerated the delivery dates for the 12 gyrostabilizers that it ordered under the exclusivity agreement with VEEM in June 2023.
- Strategic Marine will now receive three VG140SD VEEM Gyros before 31 December 2023 and the remaining nine during the second half of FY24.
- Due to the acceleration of the delivery dates, VEEM expects to report revenue from gyrostabilizers in excess of \$10 million for FY24 – double that of FY23.

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 Strategic Marine (S) Pte Ltd ("Strategic Marine") has advised that the VG140SD VEEM Gyro will now be fitted as standard on its fourth-generation fast crew boat (FCB) due to the benefits afforded through improved stabilisation. As a consequence of this decision, Strategic Marine has accelerated the delivery dates for the 12 gyrostabilizers that it ordered under the exclusivity agreement with VEEM in June 2023.

Strategic Marine will now receive three VEEM VG140SD Gyrostabilizers before 31 December 2023 and the remaining nine during the second half of FY24. Under the exclusivity agreement the delivery was spread over three years.

Due to the acceleration of the delivery dates, VEEM expects to report revenue from gyrostabilizers in excess of \$10 million for FY24 – double that of FY23.

VEEM and Strategic Marine have been working together for several years on the incorporation of the VEEM gyro into their latest fourth-generation fast crew boat (FCB). Strategic Marine launched the new vessel to the offshore energy industry, with the VEEM gyro as a key feature, in Singapore in March 2023. Strategic Marine is marketing the gyro as a unique selling point for their product which delivers superior economics and vessel capabilities for operators.



Strategic Marine's Gen 4 fast crew boat (source: Strategic Marine)



Under the exclusivity agreement signed in June 2023, VEEM will supply its VG70, VG100 and VG140 marine gyrostabilizers to Strategic Marine on an exclusive basis for use on crew transfer vessels within Southeast Asia and on specific wind farm crew vessels in Europe. Strategic intend to install the gyros on their own vessels but may also on-sell the gyros to third parties for retrofits or new-builds within the exclusivity boundaries.

Strategic Marine will exclusively use VEEM gyrostabilizers and will promote the use of VEEM gyros on its vessels. Strategic Marine has an option to extend the exclusivity for a further year provided it has met all its obligations plus purchased a further three units.

VEEM Managing Director Mark Mioceвич said: “VEEM is very excited by the decision of Strategic Marine to include the VEEM Gyro as standard on its fourth-generation fast crew boat platform. With our investment over the past four years in the gyro facility, supply chain and staff, we have the capacity to build these gyros on the accelerated time frame required by Strategic Marine.”

Strategic Marine Chief Executive Officer, Chan Eng Yew said: “We believe that the VEEM gyro provides a significant performance advantage to our fast crew boats and that advantage should be standard on every fast crew boat we build. We continue to believe that our fourth-generation FCB with the VEEM gyro, is a game changer that will be embraced by offshore energy operators in South East Asia and elsewhere around the world.”

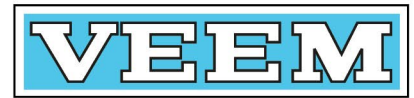
This ASX announcement was authorised for release by VEEM Managing Director, Mark Mioceвич.

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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 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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ABOUT STRATEGIC MARINE

Strategic Marine Group is a full-capacity global shipbuilder with a focus on specialty aluminium craft construction and fabrication. It has a shipyard in Singapore, and presence in Australia, Europe and the Middle East. It operates principally in five key market segments, producing high quality vessels for Oil & Gas, Renewable Energy, Ferries & Transportation, Defence and Paramilitary and Port / Pilot Services.

Strategic Marine Group has built and delivered more than 600 vessels made of both aluminium and steel for a variety of clients in the maritime, offshore and defence sectors.

Visit the website here: www.strategicmarine.com