



PRESENTATION

SHARE CAFE "HIDDEN GEMS" WEBINAR

24 May 2024



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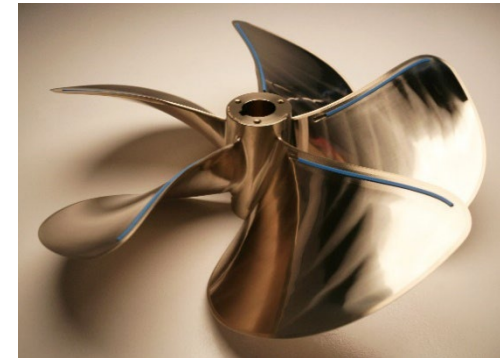
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Who is VEEM?

- Designer and manufacturer of its own disruptive, high-technology marine propulsion and stabilization products for the global luxury motor yacht, fast ferry, commercial workboat and defense industries.
- Commenced in 1968. Listed on ASX 2016. Profits and dividends every year since listing.
- 1HFY24 Turnover \$38m, EBITDA \$7m and NPAT \$3.5m. We expect to deliver a similar revenue and profit outcome for the second half.
- Located in Perth, Western Australia, with a 14,700 sqm purpose-built manufacturing facility, including Australia's largest non-ferrous foundry.
- Approximately 200 staff in Australia, including R&D, graduates and apprentices.
- Accredited to ISO 9001, 14001, 45001, Defence (DISP) security accreditation and recently ISO 27001 Information Security.
- Revenue generated from the following markets:
 - Propellers
 - Gyrostabilisers
 - Defence
 - Mining and Industrial products and services



Propulsion

VEEM Propellers

- Most advanced monobloc propeller manufacturing facility in the world.
- 24/7 lights off operation, 5,000 propellers per annum and is the only company fully CNC machining every propeller over every mm²
- VEEM exports most of its propellers to the larger premium boat brands in the US and European markets.
- Sizes from 0.5m dia to 4.6m dia. Current turn over circa \$30M PA. New build market \$350M(USD) existing market \$2.3B(USD)

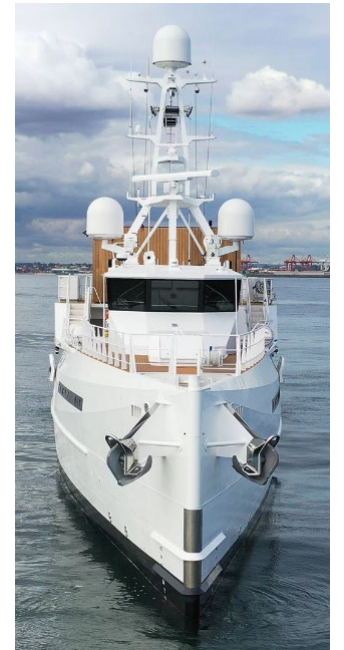
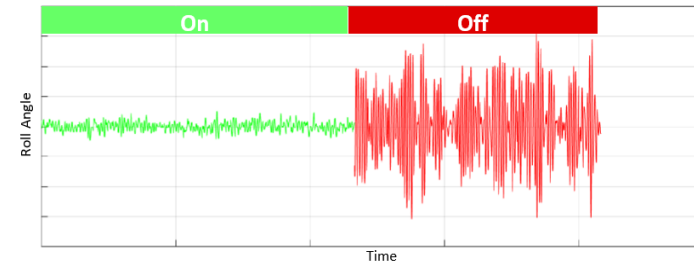
Sharrow by VEEM Propellers

- In October 2023 VEEM signed an exclusive worldwide agreement with Sharrow Engineering, LLC for the manufacture and sale of Sharrow propellers for inboard vessels with propeller sizes 0.5m to 5.0m diameter. The agreement runs for 17 years (or longer).
- Sharrow propellers have had a spectacular impact on the outboard motor market with outstanding improvements in fuel efficiency, noise, vibration and handling.
- In April 2024 VEEM formally accepted the test results of the Sharrow designs.
- The progression of the contract also enables expanded defence opportunities in Australia and the US, particularly in relation to the noise and vibration benefits.



VEEM Gyrostabilisers

- A VEEM gyrostabiliser is a ship stabilising technology that uses a powerful gyrostabiliser with patented control technology for vessels over 24m in length.
- VEEM holds the dominant position as the only major supplier in the large marine gyrostabiliser market, which is estimated at US\$1.1bn per annum for new builds and US\$13.5bn for retrofits (current fleet)*.
- Production facilities capable of \$100m (AUD) per annum and utilizes a global supply chain to ensure VEEM is at world best technology, quality and pricing and allows for low-capital cost capacity growth. Currently producing around \$13M (AUD) PA.
- Sales and orders from Strategic Marine and others highlight that the commercial market for gyrostabilisers is now understanding the value a VEEM gyro can deliver in terms of operational, HSE and commercial benefits - ie smaller boats doing a better job.



*Refer to the ASX release of 12 May 2021.

VEEM Defence

- VEEM has supplied critical cast components (valves, mufflers, strainers) to ASC for the Collins Class submarines since 1988.
- Overall VEEM has supplied over \$280m to defence customers since 1988.
- VEEM has supported Austal ships for 30 years in defence ride control and propulsion.
- VEEM will deliver the Hunter demonstrator program in FY24, VEEM is one of only two suppliers globally to be able to produce this level of precision manufacture. Looking at leveraging this to supply more of the global T26 programs, some 24 vessels in total
- VEEM is active in the Defence space and is well positioned to take advantage of further defence work opportunities that are now emerging from Hunter, Austal, AUKUS, Autonomous vessel and other weapons defence programs, especially since VEEM now has an enhanced security rating.



20 FEBRUARY 2024

Today, the Albanese Government has released its blueprint for a larger and more lethal surface combatant fleet for the Royal Australian Navy, more than doubling the size of the surface combatant fleet under the former government's plan.

Quotes attributable to the Minister for Defence Industry, the Hon Pat Conroy MP:

"This significant advancement in Navy capability that will be delivered under this plan requires a strong, sovereign defence industry.

"This plan ensures Navy's future fleet can meet our strategic circumstances by delivering a larger and more lethal fleet sooner and secures the future of naval shipbuilding in Australia, supporting 3,700 direct jobs over the next decade and thousands of indirect jobs for decades to come."

Mining and Industrial Products

Forever Pipe

- The only supply of custom centrifugally cast hollow bar in Australia - \$6.6M PA.
- Unique 'duo' bar manufacturing process of a bar within a bar allowing for a high wear bar inner with a pressure vessel outer.
- Idea for temp, chemical, wear and abrasive applications in the processing industries. Aluminium, manganese, nickel and other processing industries.

Mining and Industrial Engineering:

- Demand for the traditional engineering products and services for the mining and industrials expected to continue in Western Australia.
- Work load is driven by VEEM's specialist offerings in Foundry, Dynamic balancing, NDT and Electroless Nickel.



This ASX announcement was authorised for release by the Managing Director of VEEM Limited.



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