



ASX ANNOUNCEMENT  
1 September 2017

## VEEM REPORTS FULL YEAR AUDITED RESULTS AND ANNOUNCES FRANKED DIVIDEND OF 1.23 CENTS PER SHARE

Marine propulsion and gyro stabilisation company, VEEM Ltd (ASX: VEE) ('VEEM' or 'the Company'), is pleased to report that its audited FY17 Normalised Profit After Tax<sup>1</sup> is \$5.35 million, compared to Prospectus Forecast of \$4.81 million, consistent with preliminary results reported in July 2017.

The Company has reported a Statutory Net Profit after Tax ('NPAT') of \$3.85 million against Prospectus Forecast of \$4.01 million.

The Company has recorded a strong gross profit margin due to an increased emphasis on production productivity gains, largely from improvements in materials handling, a reduction of non-conformances in casting production and a steady improvement in machine efficiency and utilization.

The Company is pleased to advise that the Board has declared a final fully franked dividend of 1.23 cents per share. The total dividend of approximately \$1.6 million represents a pay-out ratio of 30% of Normalised Net Profit After Tax.

VEEM Managing Director Mr Mark Miocevic commented; *"The Board was delighted to be able to declare a final fully franked dividend based on Normalised Profit After Tax and expects to continue with its dividend policy in the coming periods"*.

		FY17	
		Audited Actual	Prospectus Forecast
Operating Revenue	A\$million	38.08	46.77
Pro Forma EBITDA (1)	A\$million	7.80	7.84
Pro Forma EBIT (2)	A\$million	6.37	6.02
Normalised PBT (3)	A\$million	6.14	5.86
Statutory NPAT	A\$million	3.85	4.01

(1) Earnings Before Interest Depreciation and Amortisation before once off IPO Costs

(2) Earnings Before Interest before once off IPO Costs

(3) Profit Before Tax before once off Initial Public Offering costs of approximately \$1.5 million

**ANNOUNCEMENT ENDS**

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<sup>1</sup> Profit after tax less once off IPO Costs and share registry expenses



**Further information:** Mr Mark Miocevich +61 8 9455 9355

### **About VEEM**

VEEM is a Western Australian company established in 1968 and has become a world leader in the manufacture of bespoke marine propellers and assemblage for luxury and commercial marine craft.

The Company has a strong track record of performance, having delivered stable and consistent earnings over many years, building its reputation for quality, efficiency and ability to deliver innovative products globally.

VEEM's patented gyrostabilisers have been developed over the past five years and eliminate most of the rolling motion of vessels at anchor, drifting, alongside or transiting. These products are now selling into the global marine market and are expected to generate significant sales growth for the Company in the future, displacing cumbersome and less effective stabilisation fins currently in use.