



PRESENTATION

Euroz Hartleys Industrials & Resources Forum

18 June 2025



PRINCESS YACHTS

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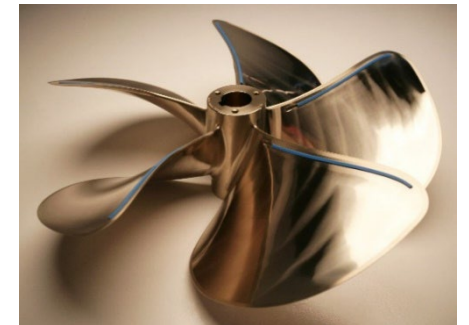
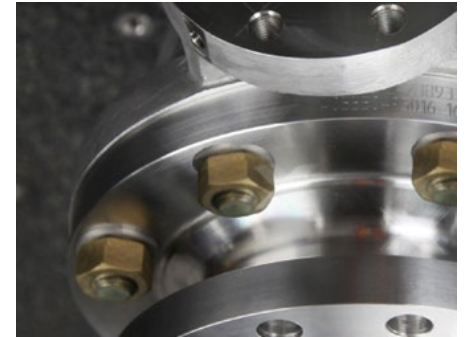
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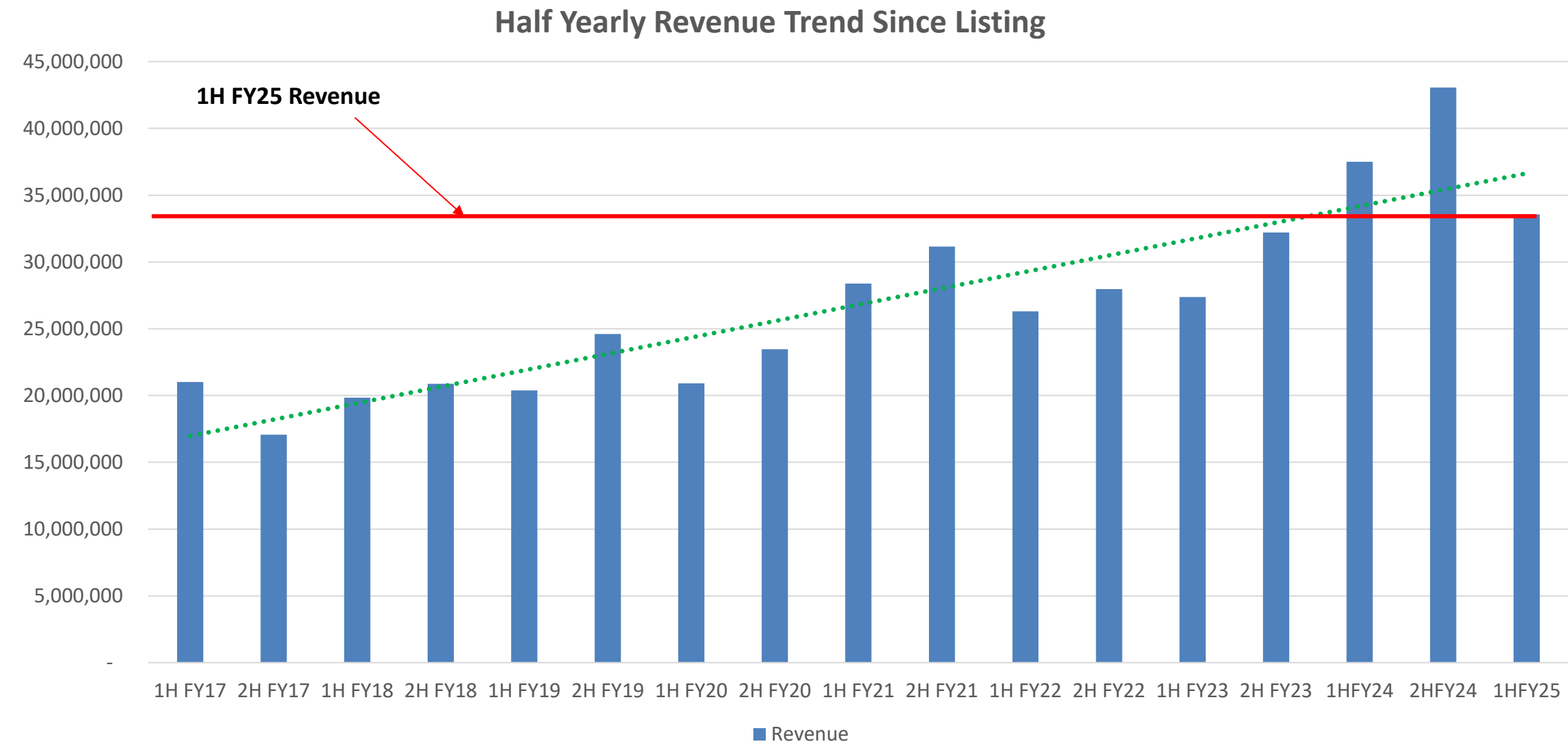
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Who is VEEM?

- Designer and manufacturer of the **world's best marine propellers and stabilisation products** for the global luxury motor yacht, fast ferry, commercial workboat and defence industries. Largest non prime defence contractor manufacturer in WA.
- Commenced in 1968. Listed on ASX 2016. **Profits and dividends every year since listing.**
- 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, ISO 27001 Information Security and most recently USA defence supplier qualification program for nuclear submarine and air craft carrier manufacturing programs.
- Revenue generated from the following markets:
 - Propellers
 - Gyrostabilisers
 - Defence
 - Mining and Engineered products and services



Demonstrated long-term growth, just not linear



Our products and markets

World's best technology with large target markets, using automation and robotics to manufacture efficiently in Australia

Propulsion

- World's best performing propellers
- Export globally
- Key customers are the world's leading boat builders

Market: Estimated propeller market size of US\$2.6bn including US\$0.3bn of new vessels each year

Future:

- Facility expansion - underway
- Shaftlines
- Increased efficiency - existing products and Sharrow global licence
- Production technology advancement

Gyrostabilisers

- Only major supplier of large gyros
- Large barriers to entry
- Market exists for commercial , defence and recreational uses
- International network of technicians

Market: Estimated market size of US\$1.1bn for new builds and US\$13.5b for retrofits (current fleet)

Future:

- Mark III – Further improvements
- Deeper penetration into commercial market
- Adoption escalation similar to smaller recreational gyros

Defence

- Largest non prime Defence manufacturer in WA
- Enhanced security rating in FY24
- \$3m in defence grants awarded
- HII US supplier qualification program for nuclear submarine and aircraft carrier programs

Market: Defence spending accelerating across the western world

Future:

- Hunter Class Frigate opportunities
- Overseas T26 programs - 42 in total
- USA submarine tenders- pre AUKUS
- AUKUS opportunities – Aus, US, UK

Engineering

- Foundry led, precision-engineered products
- Over 250 Alloys available
- Highly accredited ISO9001; 14001; 450001; 27001; NATA and more

Market: Infrastructure, oil and gas, mining and commercial clients. Mostly domestic

Future:

- VEEM products such as Hollow Bar pushing into new markets
- Increased demand for sovereign capacity and capability

Outlook

Accelerating Growth: A Stronger FY26 and Beyond

Propulsion

- Momentum from FY24 to continue with increased orders on hand
- Expansion of Volvo scope
- New contracts with three large Italian superyacht builders
- Expansion of offerings including shaftlines, flow-aligned rudders and brackets
- Positive outlook with facility expansion and three new machines on order
- Efficiency improvements – own products and development of the SHARROW by VEEM product
- Further use of advanced technology

Gyrostabilisers

- Recent attendance at global boat shows has resulted in continuing enquiries
- Mark II released into the market with 5 year warranty is stimulating sales
- Leads received highlight increased understanding of the benefits of a VEEM gyro
- Revenue growth expected, supported by:
 - Increased global technical service support
 - Further product improvements (Mark III)
 - Adoption rates of small gyros, particularly in the US

Defence

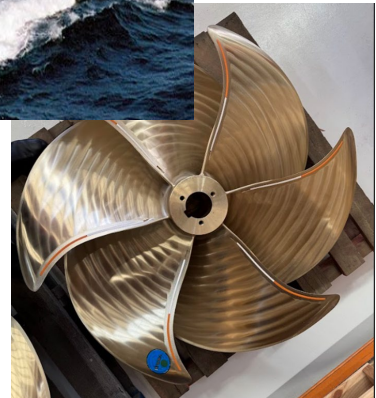
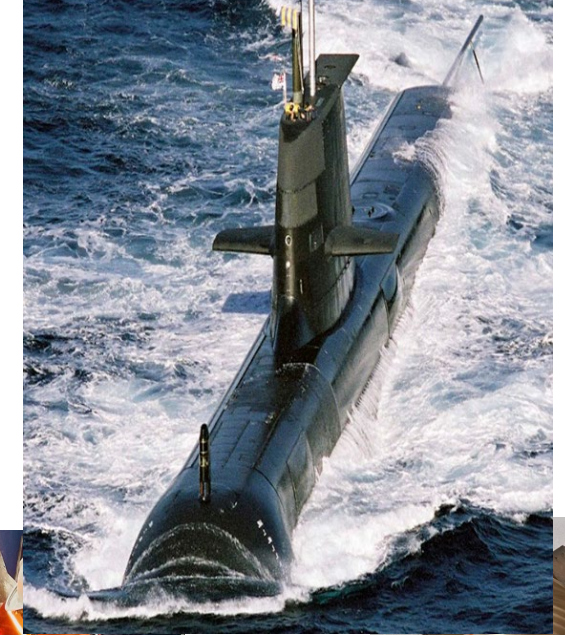
- New orders anticipated from ASC, Type 26, HII in H1FY26
- Other defence work for prime contractors (including Austal) expected to continue
- Capacity increase from \$3m grants
- Qualification for T26 (Hunter Class Frigate) Program will provide leverage to pursue more opportunities
- VEEM is positioned to take advantage of further opportunities that arise out increased security clearances for defence in Australian and USA

Engineering

- Demand for the traditional engineering products and services is expected to continue
- Hollow bar demand expected to grow
- Benefiting from a shortage of sophisticated foundries in Australia and increased efforts at local sourcing

Company Summary

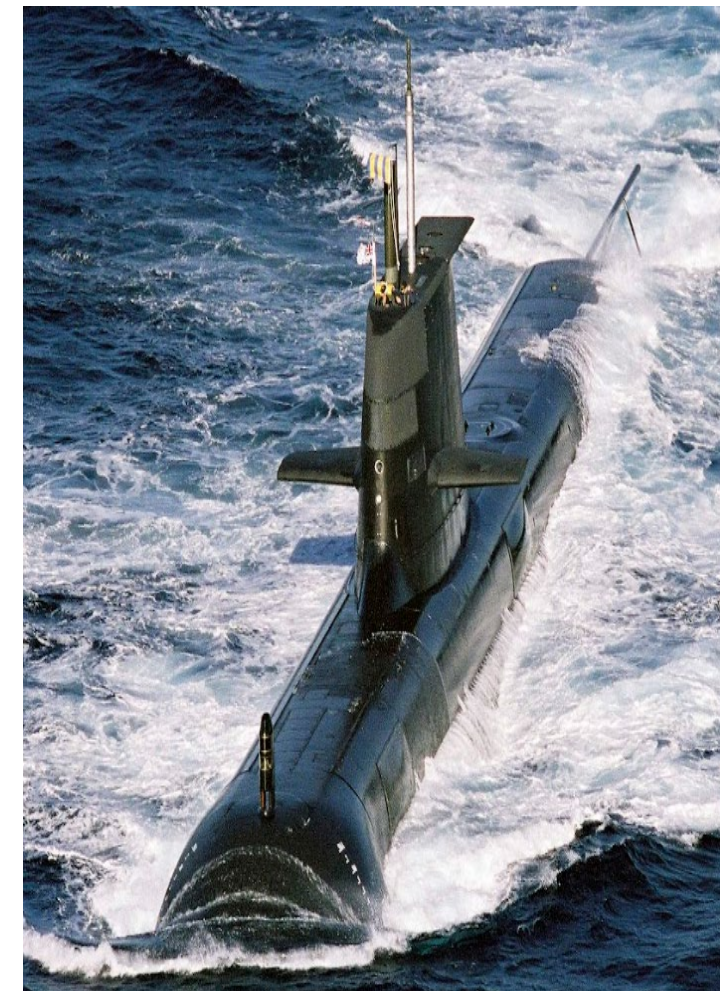
- Global leader in marine propulsion and stabilization, long established defence supplier
- Strong record of profitability over decades
- Long term leverage to growth in key areas:
 - Large gyrostabilisers
 - Large global market
 - Substantial barriers to entry
 - Technology adoption is expected to continue to grow rapidly as occurred in small recreational gyrostabilisers
 - VEEM manufactures the world's best propellers. New growth areas are:
 - Complimentary products like shaftlines, flow aligned rudders and brackets
 - Increased efficiency of existing products and design of new ones
 - The innovative Sharrow designed propellers for inboard applications
 - Revenue and margin increase through further automation and expansion
 - Defence opportunities to leverage VEEM's security qualifications and decades as a reliable defence supplier (over \$300M to date) including:
 - AUKUS supply chain opportunities in Australia, UK and the US
 - Domestic naval shipbuilding – Hunter, Austal, Anduril etc



1H FY25 Highlights

<p>Revenue</p> <p>\$33.6m</p> <p>(Guidance \$33m-\$35m)</p>	<p>Total Activity¹</p> <p>\$34.5m</p>	<p>EBITDA</p> <p>\$3.9m</p> <p>(Guidance \$3.4m-\$4m)</p>
<p>EBITDA Margin</p> <p>11.7%</p>	<p>EBIT</p> <p>\$1.6m</p>	<p>NPAT</p> <p>\$1.0m</p> <p>(Guidance \$0.4m-\$1.2m)</p>
<p>Operating Cashflow</p> <p>\$1.8m</p>	<p>EPS</p> <p>0.75cps</p>	<p>Interim Dividend</p> <p>0.23c</p>

1. Total Activity = Sales + change in WIP



Q & A



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