



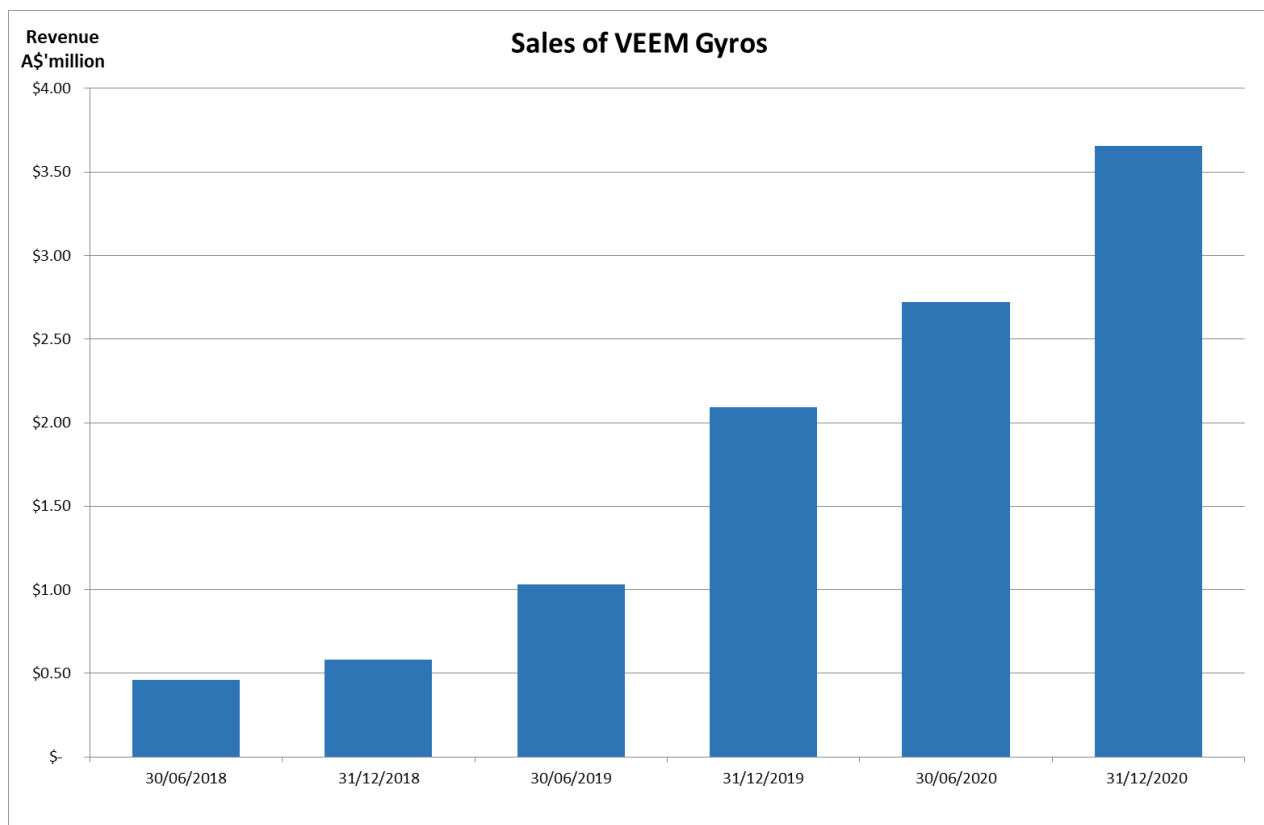
VEEM MEETS GYRO SALES TARGET FOR HALF YEAR

Highlights:

- VEEM sold \$3.6 million of VEEM Gyros in the half year to 31 December 2020 as forecast
- Gyro sales growth in the first half of FY21 continued to follow the strong upward trend since 2018
- VEEM's order book currently stands at \$3.9 million with a strong level of leads and quotes out
- VEEM has a three-year agreement with Damen Shipyards for the supply of VEEM Gyros
- Sea trials of the VG1000SD VEEM Gyro by Naviera Integral are expected to commence in the Gulf of Mexico in February 2021

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 sales of eight VEEM gyrostabilizers ("VEEM Gyros") in the six months to 31 December 2020, recording revenue of \$3.6 million.

The Company has continued to see rapid growth in sales of its VEEM Gyros since 2018, with sales during the half-year including Gyros for superyachts, offshore supply vessels and charter vessels. Of note were the retrofit sales to Damen for an offshore supply vessel in the Gulf of Mexico and a local West Australian charter vessel.



The VG1000SD sold to Damen ships during the half-year, the second VG1000SD ever built, was built and shipped 15 weeks after order demonstrating the capacity of VEEM's new gyro facility and the improvement in efficiencies and margins available as more VEEM Gyros are produced and processes improved. Naviera Integral, the end-customer for the VG1000SD, expects sea trials of the VEEM Gyro on board their Damen FCS workboat to commence in the Gulf of Mexico in February 2021.

During the half-year, VEEM signed a three-year frame agreement with Damen Shipyards for the supply of Gyros. Under the agreement Damen will offer VEEM Gyros as an option for its FCS vessels. Damen sells 175 vessels per year, including 20 FCS vessels, providing a major platform for increasing sales of VEEM Gyros. Refer to the ASX release of 30 October 2020 for more information on the agreement with Damen.

VEEM Managing Director Mark Miocevic said: "We are very pleased to see the sales of VEEM Gyros continue to increase strongly and to have delivered on our guidance provided to the market for the first half of FY21. Given our level of inquiries, orders in hand, the Damen frame agreement and increased capacity in our Gyro facility we expect this sales trend to continue."

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

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Reel Teaser Fishing Adventures based in Broome Western Australia have purchased a VG120 VEEM Gyro to enhance the customer experience.



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 180 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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