



1H FY21 FINANCIAL RESULTS UPDATE

Highlights

- 36% increase in revenue to \$28.4 million on previous corresponding period ("PCP")
- EBITDA up 111% to \$5.7 million on the PCP (includes JobKeeper of \$1.5 million)
- Net profit after tax of \$3.0 million – 233% increase on PCP
- Revenue increase includes gyrostabilizer sales of \$3.6 million - up 33% from the six months to 30 June 2020 and 73% on PCP, continuing strong upward trend since 2018

VEEM Ltd (ASX: VEE) ('VEEM' or 'the Company'), 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 provide an update on its expected results for the half year to 31 December 2020. The results are currently unaudited. Full results will be released before the end of February 2021.

Revenue increased significantly during the period to \$28.4 million due to increases in sales of VEEM Gyros, propulsion products and the commencement of deliveries to ASC under the Collins class submarine maintenance contract announced to the ASX on 18 March 2020.

EBITDA increased 111% over the previous corresponding period ("PCP") to \$5.7 million and net profit after tax was \$3.0 million, an increase of 233% on the PCP. This result included JobKeeper receipts of \$1.5 million which were not received in the PCP.

	Half-year Result (\$million)		
	31/12/2020	PCP 31/12/2019	% Change
Revenue	28.4	20.9	36%
EBITDA	5.7	2.7	111%
Profit before tax	3.5	0.6	483%
NPAT	3.0	0.9	233%
EPS (cents)	2.3	0.7	229%
Net Assets	35.2	31.5	12%

Mark Mioceovich, Managing Director of VEEM said: "We are very pleased with our results for the half year with significant revenue increases driving improved EBITDA and bottom line profit outcomes.

"The continued increases in sales of VEEM Gyros with minimal increase to the overhead burden should continue to see the business generate strong EBITDA and cash flow.

"Across the business, and within Gyros, propulsion and defence specifically, we continue to see evidence of strong sales and profit potential for the rest of 2021.

"VEEM is in the strongest position it ever has been with an existing robust core business which has allowed us to invest and support our focus on the rapid growth of our disruptive VEEM Gyro product into the global marine market. Following the signing of the framework agreement with Damen, one of the largest European shipbuilders, we are now on the cusp of delivering on what we have known for some time is a game changing opportunity."

This ASX announcement was authorised for release by the Board of VEEM Ltd.



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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 14,700sqm 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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