



VEEM DELIVERS RECORD FINANCIAL RESULTS FOR FY24 NPAT UP 70% TO \$7.0M

Highlights of the financial results for the year to 30 June 2024:

- Revenue was \$80.6m up 35% on FY23.
- EBITDA and NPAT were \$14.8m and \$7.0m, up 48% and 70% respectively on FY23.
- Cashflow from operations was \$8.4m, up 77% on FY23.
- EPS of 5.15 cents per share, up 70% on the prior period.
- 2HFY24 dividend of 0.77c per share, total FY24 dividend of 1.54 cps.
- Gyro sales for the year were \$12.3m, up 147% on the acceleration of the Strategic Marine contract, with orders in hand of \$3.4m.
- Agreement signed with Sharrow Engineering for the exclusive worldwide licence to manufacture and sell Sharrow designed propellers for inboard vessels. The rollout to customers has commenced.

VEEM Limited (ASX: VEE) ('VEEM' or 'the Company'), a designer and manufacturer of disruptive, high-technology marine propulsion and stabilisation systems for the global luxury motor yacht, fast ferry, commercial workboat and defence industries, is pleased to report its financial results for the year to 30 June 2024.

The company declared a final unfranked dividend of 0.77 cents per share for the year ended 30 June 2024.

VEEM's revenue for the year was \$80.6m (up 35% on FY23) with total activity (Sales + change in WIP) for FY24 of \$81.6m (up 29% on FY23).

EBITDA and NPAT were \$14.8m and \$7.0m, up 48% and 70% respectively on FY23. These amounts include non-recurring costs: a) amortisation of liver cancer research project of \$0.5m (\$0.4m after tax); and b) Sharrow initial expenses of \$0.8m (\$0.7m after tax). EPS of 5.15 cents per share, up 70% on the prior period.

Strong cashflow from operations of \$8.4m, up 77% on FY23, facilitated debt repayments of \$4.0m (\$2.1m commercial & trade facilities and \$1.9m in HP repayments).

Gyro sales for the year were \$12.3m, up 147% on FY23 on the back of Strategic Marine accelerating their gyro purchases. Orders in hand of \$3.4m at 30 June 2024.

Agreement signed with Sharrow Engineering for the exclusive worldwide licence to manufacture and sell Sharrow designed propellers for inboard vessels for at least 17 years. The propellers will be branded SHARROW by VEEM. The roll out to customers has commenced.

The increased propeller capacity installed late in FY23 was utilised early in the year to reduce the order backlog in propellers. Subsequently propulsion sales stabilised with revenue for the year up 30% to \$32m.

Revenue from the submarine program was \$17m (up 35% on FY23) for the year with total defence revenue of \$21m (up 23% on FY23).

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VEEM has invested over \$4.6m in capital and development expenditure during FY24 towards robotics for its Baile Rd facility, an automated guided vehicle and gyro engineering product improvement.

VEEM spent \$4.5 million on formal research and development projects during FY24. VEEM will continue to commit to research and development projects as it sees necessary to remain at the forefront of the markets in which its products are sold and potentially enter new markets.

VEEM Managing Director Mark Miocevich said: “We are very pleased to be able to report a 70% increase in NPAT to \$7.0 million for FY24. This comes on the back of a 35% increase in revenue to over \$80 million which is a record for VEEM. These results were driven by the additional propeller capacity and a significant increase in work hours and productivity for which I would like to acknowledge our great staff and management – the VEEM team.

“Currently the outlook for FY25 is that the core business will continue to generate similar levels of activity with several areas of focus aimed at generating growth in revenue through new products, markets and regions as well as internally focused on improving margins.”

This ASX announcement was authorised for release by Mark Miocevich, Managing Director of VEEM Limited.

Further information:

VEEM Managing Director
Mark Miocevich
+61 8 9455 9355

Head of Corporate
Development & Company
Secretary
David Rich
+61 8 9455 9355

IR Consultant, Lancaster Grove Capital
Jonas Fitzgerald
+61 (0) 427 104 488
Jonas.fitzgerald@lgcapital.com.au

ABOUT VEEM LIMITED (ASX: VEE)

VEEM Ltd is a designer and manufacturer of disruptive, high-technology marine propulsion and stabilisation systems for the global luxury motor yacht, fast ferry, commercial workboat and defence industries. VEEM’s market leading Gyrostabilisers 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 215 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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