



## GYRO UPDATE: DAMEN SHIPYARDS ORDERS SECOND VG1000

### Highlights:

- **VEEM receives order for second VG1000SD gyrostabilizer from Damen Shipyards, a major European shipbuilder delivering more than 175 vessels worldwide each year**
- **Vessel end-user is Naviera Integral, an offshore oil field supply contractor, marking the first sale of VEEM's gyrostabilizers into this market**
- **Rapid receipt of second VG1000SD order demonstrates growing market acceptance that VEEM's highly-disruptive technology can deliver significant physical and financial benefits**
- **VG1000SD retail price is US\$1.35 million; delivery is expected to occur late in CY 2020**
- **Gyro sales for FY to 30 June 2020 were \$4.8 million – orders in hand of \$3.4 million\* to be delivered before 31 December 2020**

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 advise it has received an order from Damen Shipyards ("Damen") for a second VEEM VG1000SD gyrostabilizer, following its first sale to Damen earlier this year.

VEEM's patented VG1000SD weighs 20 tonnes and is the most powerful marine gyrostabilizer in the world, providing significant roll reduction at all speeds (including stationary) to vessels between 60 and 75m and larger using multiple units. This disruptive technology provides commercial marine service providers with the opportunity to operate both more efficiently and for significant additional chargeable days per annum previously lost to bad weather.

The new VG1000SD will be installed in a Damen Fast Crew Supplier FCS 5009. The FCS 5009 is a high-speed, axe-bow design vessel with a very slender hull shape for speed and fuel efficiency. The vessel has a 240m<sup>2</sup> deck area and is well equipped for fast, safe and comfortable transfer of crew and cargo. Additionally, the vessel is capable of emergency towage and crane handling functionality and can be fitted with all equipment necessary for rescue and safety standby operations. There are many of these vessels in operation around the world.

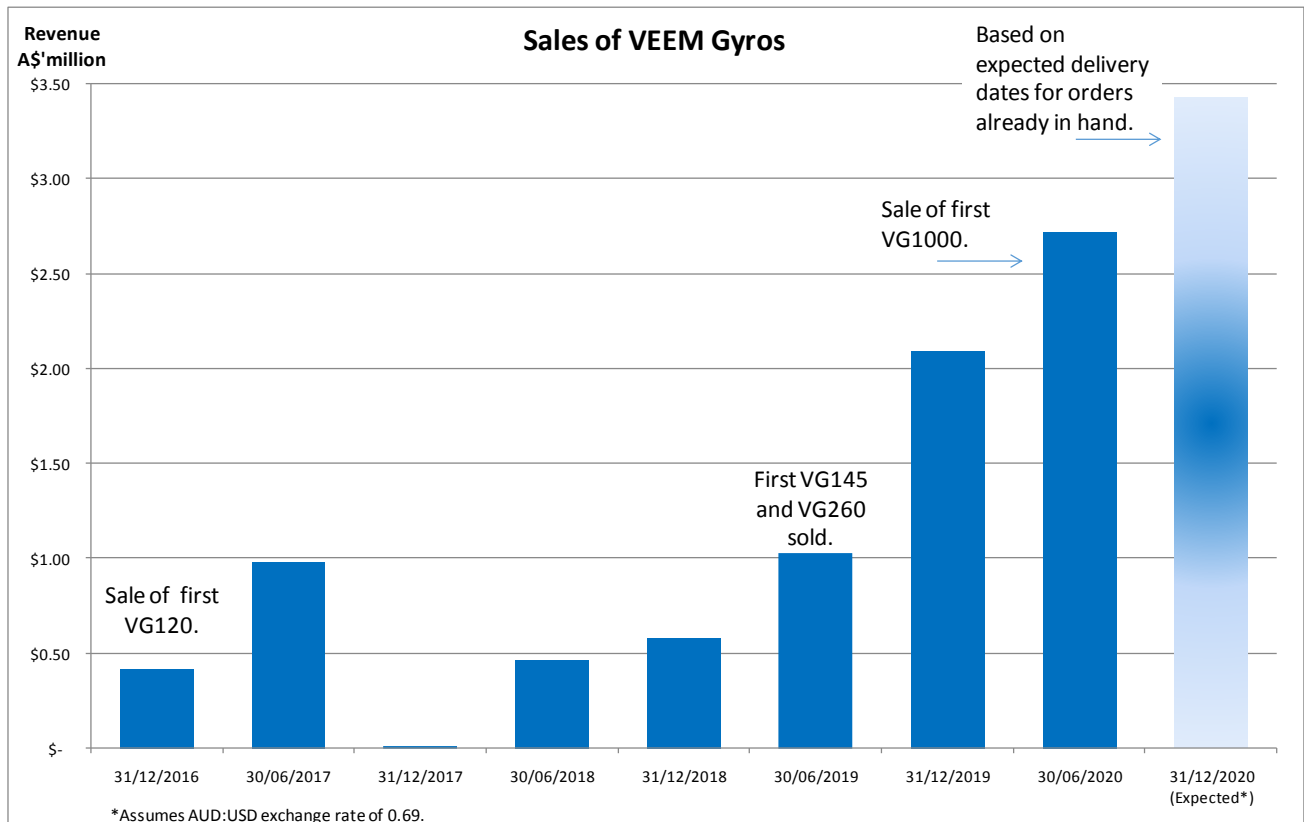
Naviera Integral, an offshore oil field supply contractor, is the end-user of the Damen vessel, marking the first sale of VEEM's gyrostabilizers into the commercial offshore supply vessel market.

Construction of the second VG1000SD is already in progress and delivery to Damen is expected to occur in late 2020. The VG1000SD, developed by VEEM, is the world's largest, most powerful marine gyrostabilizer with a retail price of US\$1.35 million.

This is the second order from Damen following the first VEEM patented VG1000SD completed earlier in 2020 for installation into Damen's revolutionary new Fast Crew Supplier, FCS 7011 (refer to VEEM's ASX release of 6 March 2020). Damen Shipyards is a major European shipbuilder delivering more than 175 vessels worldwide each year.

VEEM is also pleased to report that revenue from sales of gyrostabilizers for the year to 30 June 2020 was \$4.8 million despite one gyro due for delivery on 30 June 2020 not being dispatched until July. Enquiries for gyrostabilizers have been strong and the current order book, including the Damen VG1000SD above, is \$3.4 million\*, all for delivery before 31 December 2020. As laid out in the chart below, gyro sales show a continued significant increase over the past six half-year periods.

\*Assumes a USD:AUD exchange rate of 0.69.



**VEEM Managing Director Mark Miocevich said:** “Receiving a second order from Damen, one of Europe’s major shipbuilders, speaks volumes for the technical merits of the VEEM gyrostabilizers to deliver significant physical and financial benefits to commercial offshore marine operators.

“The significant roll reduction delivered by VEEM’s patented VG1000SD gyrostabilizer, coupled with the Damen high-speed design, provides the end customer with maximum speed and efficiency and increased operating days per year, leading to greater returns.

“It is personally very pleasing to see enquiries, orders and sales increasing, given the significant amount of time and capital VEEM has spent developing the concept into a robust, highly disruptive piece of equipment that we believe is now well on the way to becoming standard on all large vessels.”

-ENDS-

**Further information:**

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*This ASX announcement was authorised for release by the Managing Director, Mark Miocevich.*



## ABOUT DAMEN SHIPYARDS

Damen Shipyards Group operates 36 shipbuilding and repair yards, employing 12,000 people worldwide from its base in the Netherlands. Damen has built more than 6,500 vessels in more than 100 countries and delivers more than 175 vessels annually to customers worldwide. Based on its unique, standardised ship-design concept, Damen is able to guarantee consistent quality.

Damen is active across the entire spectrum of maritime industries, from harbours and terminals to offshore support, dredging to renewable energy and superyachts to defence and security.

The VEEM VG1000SD will be installed in Damen's revolutionary Fast Crew Supplier FCS 5009. The FCS 5009 is a high-speed, axe-bow design vessel with a very slender hull shape for speed and fuel efficiency. The vessel has a 240m<sup>2</sup> deck area well equipped for fast, safe and comfortable transfer of crew and cargo. Additionally, the vessel is capable of emergency towing and crane handling functionality and can be fitted with all equipment necessary for rescue and safety standby operations. There are many of these vessels in operation around the world.

For more information on the FCS 5009 click on the link:

<https://magazine.damen.com/markets/offshore-oil-gas/naviera-integral-signs-for-fifteenth-fcs-5009/>

## 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](http://www.veem.com.au)

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