



HIGHLY SUCCESSFUL CAPITAL RAISING

Highlights:

- **VEEM has received firm commitments from institutional and sophisticated investors to raise \$6 million in a placement of 5.1 million shares at \$1.18 per share after receiving very strong demand in the bookbuild.**
- **Share Purchase Plan for existing shareholders intended to raise up to \$2 million.**
- **Funds raised will be used to fund research and development, sales and marketing to drive gyro sales growth and working capital.**
- **Concurrently, in response to strong investor demand, the Miocevich family have sold 11.9 million shares to a number of new and existing institutional and sophisticated investors at \$1.18 per share being the same price as the Placement and SPP.**

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 defense industries, is pleased to advise that it has completed a placement of 5,084,746 fully paid ordinary shares at \$1.18 per share raising a total of \$6 million (**Placement**). The Company is also offering Shares under a share purchase plan (**SPP**) to existing eligible shareholders to raise up to approximately A\$2 million (before costs) at the same offer price.

Placement

VEEM has received firm commitments to subscribe for 5,084,746 shares at an issue price of \$1.18 per share, representing a 15.1% discount to the last traded price of the Company's shares on 8 September 2021 and a 10.3% discount to the 15 day VWAP.

The funds raised through the Placement will be used to fund research and development, sales and marketing to drive gyro sales growth and working capital.

New shares issued under the Placement will rank equally with VEEM's existing fully paid ordinary shares. No shareholder approval is required for the Placement, as the Company will use a portion of its placement capacity under ASX Listing Rule 7.1.

Settlement of the Placement is scheduled to occur on 15 September 2021 with the Placement shares scheduled to be issued on 16 September 2021.

Miocevich Family Partial Sell-Down

Concurrent with the Placement and in response to investor demand, 11,864,407 shares held by the Miocevich family were offered and sold to a number of existing and new institutional and sophisticated investors at the Placement price of \$1.18 per share. The Company welcomes the partial sell-down and the new investors which will improve liquidity and the free float of VEEM shares in the market.

After the placement and partial sell-down is completed, the Miocevich family will hold 50.4% of the shares on issue.

This is the first time the Miocevich family, which founded the business in 1968, has sold shares since listing on the ASX in 2016. The decision was made following strong demand for shares from investors to increase the liquidity and the free float of the Company which was limited by the original 61.5% holding and exceedingly tight capital structure.

The Miocevich family has advised that it no intention of selling additional shares in the short term.



Morgans Corporate Limited acted as Sole Lead Manager with PAC Partners and CCZ Equities acting as Co-Managers to the Placement and sell-down. Steinepreis Paganin was legal advisor to the Company.

The Chairman, Mr Brad Miocevich commented: “The Miocevich family is extremely proud of what we have successfully built over the past 50 years. This small sell-down by the family will improve liquidity and the free float of VEEM shares. We will remain by far the largest shareholders of VEEM with 50.4% of the Company and remain as fully committed and passionate as ever.

“We are particularly excited about the very high demand from investors leading to a successful capital raising which will allow us to further invest in the gyrostabilizer business which is at the leading edge of the industry. The market is significant and over the past few years we have truly started to become recognised as the global leader. We now have the opportunity to ensure we deliver on this mission as well as the broader base of the business. We would like to welcome new investors to the Company and particularly thank those who have been on the journey over the past five years.”

Share Purchase Plan

The Company is pleased to offer all eligible existing shareholders on the Company’s share register at 7.00pm (Sydney time) on 10 September 2021 with registered addresses in Australia or New Zealand the opportunity to apply for Shares in the Company by participating in the SPP.

The Company is targeting to raise up to approximately \$2 million (before costs) through the SPP. The funds raised under the SPP will be used for the same purposes as described above for the Placement.

The application for new shares under the SPP will be capped at a maximum of \$30,000 per eligible shareholder, across all their holdings.

The offer price of \$1.18 per new share under the SPP will be the same as the issue price for the Placement. The SPP will provide eligible shareholders with the opportunity to increase their holding without paying brokerage or transaction costs.

If total demand exceeds \$2 million, the Company may apply a scale-back of applications. Any scale-back will be on an equitable basis at the absolute discretion of the Directors of the Company.

Further information regarding the SPP (including terms and conditions of the SPP) will be provided to eligible shareholders in the SPP offer booklet, which will be made available to eligible shareholders shortly. Eligible shareholders wishing to participate in the SPP will need to apply in accordance with the instructions in the SPP offer booklet. Participation in the SPP is optional.

Key dates in relation to the SPP

Event	Timing (Sydney time)
Record Date for Share Purchase Plan	7:00pm Friday, 10 September 2021
Share Purchase Plan opens	Wednesday, 22 September 2021
Indicative closing date for Share Purchase Plan	Wednesday 6 October 2021
Issue of new shares under the share purchase plan	Wednesday 13 October 2021
SPP Shares quoted and commence trading	Wednesday 13 October 2021



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 defense 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 specialized 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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