



EXCLUSIVITY AGREEMENT SIGNED WITH STRATEGIC MARINE FOR GYROSTABILIZERS

Highlights:

- Strategic Marine is a dynamic shipbuilding company based in Singapore with an international book of business and is renowned for producing quality, high performance commercial vessels for markets across the globe.
- Strategic Marine has incorporated the VEEM gyro into its latest fast crew transfer boat design and is marketing this as a unique selling point for their product which delivers superior performance and economics for offshore energy operators.
- VEEM has signed an agreement with Strategic Marine for the exclusive use of small and medium size VEEM gyros for fast crew transfer vessels in the Southeast Asian region and specific windfarm crew vessels in Europe.
- Strategic will place orders immediately for 12 gyrostabilizers to be delivered over the next three years with a value in excess of USD 5.6 million (AUDe 8.2 million).
- The agreement gives Strategic Marine exclusive use of the specified VEEM gyrostabilizers in their own new build vessels as well as retrofits and on-selling to other operators.
- Strategic has the option to extend the exclusivity for a further year in certain circumstances.

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 that it has executed an agreement with Strategic Marine (S) Pte Ltd ("Strategic Marine") for the exclusive use of VEEM gyrostabilizers.

Under the agreement, VEEM will supply its VG70, VG100 and VG140 marine gyrostabilizers to Strategic Marine on an exclusive basis for use on crew transfer vessels within Southeast Asia and on specific wind farm crew vessels in Europe. Strategic intend to install the gyros on their own vessels but may also on-sell the gyros to third parties for retrofits or new-builds within the exclusivity boundaries.

Strategic Marine will exclusively use VEEM gyrostabilizers and will immediately order 12 VEEM gyrostabilizers for scheduled delivery over the next three years and will promote the use of VEEM gyros on its vessels. Strategic has previously purchased two gyros and has an existing live order with VEEM for one gyro bringing their total orders on hand to 13 gyros. Strategic Marine has an option to extend the exclusivity for a further year provided it has met all its obligations plus purchased a further three units.

Headquartered in Singapore, Strategic Marine (S) Pte Ltd ("Strategic Marine") is a dynamic shipbuilding company with an international book of business and is renowned for producing quality, high performance commercial vessels for markets across the globe.

VEEM and Strategic Marine have been working together for over a year on the incorporation of the VEEM gyro into their latest fourth-generation fast crew boat (FCB). Strategic Marine launched the new vessel to the offshore energy industry, with the VEEM gyro as a key feature, in Singapore in March 2023. Strategic Marine is marketing the gyro as a unique selling point for their product which delivers superior economics and vessel capabilities for operators.

In March 2023 Strategic Marine demonstrated its confidence in the offshore vessel market and their product offering when it reported that it had ordered 100 Cat C32 engines with options for 50 more.



Strategic Marine's Gen 4 fast crew boat with "GYRO ONBOARD" sign (source: Strategic Marine)

VEEM Managing Director Mark Mioceвич said: "VEEM is proud to be partnering with Strategic Marine in the Southeast Asian crew transfer vessel market as well as the European Offshore Wind market. We have worked closely with Strategic Marine in the incorporation of the VEEM gyro into their fourth-generation fast crew boat platform and share their excitement over the potential of this vessel. With Strategic Marine's clear commitment to the market and to VEEM's product through the placing of orders, VEEM is very pleased to commit to exclusivity and work with Strategic for the next three years."

Strategic Marine Chief Executive Officer, Chan Eng Yew said: "We believe that the VEEM gyro provides a significant performance advantage to our fast crew boats. Strategic is committed to the fast crew boat market as we have demonstrated through our expansion of facilities and orders of engines. We see the introduction of our fourth-generation FCB with the VEEM gyro, as a game changer that will be embraced by offshore energy operators in Southeast Asia and elsewhere around the world."

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

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A VG140 VEEM Gyro being installed into Strategic Marine's Gen 4 fast crew boat (source: Strategic Marine)

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.

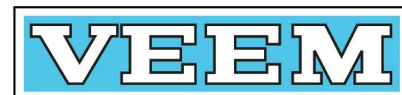
VEEM is also a successful producer of high-performance propellers, fin systems and specialised components delivering consistent profits, cash flow and dividends while also reinvesting in research and development for new products and processes.

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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ABOUT STRATEGIC MARINE

Strategic Marine Group is a full-capacity global shipbuilder with a focus on specialty aluminium craft construction and fabrication. It has a shipyard in Singapore, and presence in Australia, Europe and the Middle East. It operates principally in five key market segments, producing high quality vessels for Oil & Gas, Renewable Energy, Ferries & Transportation, Defence and Paramilitary and Port / Pilot Services.

Strategic Marine Group has built and delivered more than 600 vessels made of both aluminium and steel for a variety of clients in the maritime, offshore and defence sectors.

Visit the website here: www.strategicmarine.com