

# ROADSHOW PRESENTATION

9 JUNE 2026



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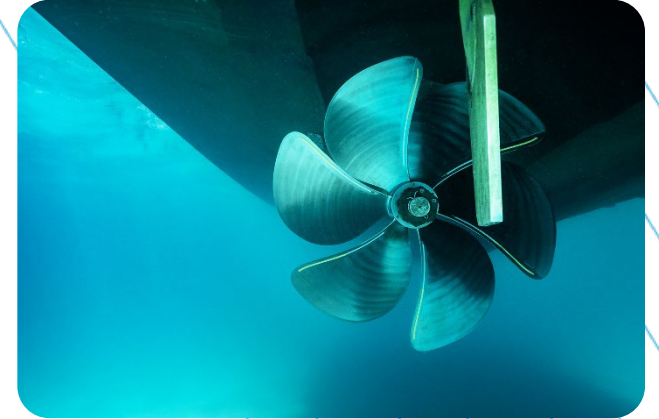
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# AGENDA



1. 1HFY26 Highlights
2. Executive Summary
3. Financial Results
4. Operational Performance
5. Outlook
6. Q&A



# INTRODUCTION TO VEEM



Founded in 1968, VEEM has experienced strong and profitable growth over decades, and listed on the ASX in 2016

Cutting edge technology and innovation positions VEEM as a leader in the large global markets the company operates in across Defence, Marine, and Industrial sectors

15,700 square metre manufacturing facility & global distribution network, employing more than 175 people

- Defence – trusted partner to the Australian defence sector since 1987, delivering over \$250m of defence work. USA defence supply chain entry underway providing access to a large and strategic market. Long term and sticky contractual revenue.
- Propulsion – world’s best performing propellers that supply to a global market. Cutting edge technology leading to disruptive products like VEEM Extreme. Manly Ferries signed up as VEEM Extreme launch customer.
- Gyrostabilisers – Sole global supplier of large gyros for marine vessel stability applications. Next generation Mark III gyro launched H1 2026.
- Engineering Products and Services – VEEM’s traditional engineering business focuses on foundry-led precision engineered products. Australia’s largest non-ferrous foundry.
- Strong growth and profitability since listing on the ASX in 2016. Long term contractual revenue underpins shareholder returns.



**58 YEARS OF  
DISRUPTIVE, HIGH  
TECHNOLOGY  
PRODUCTS &  
SERVICES**



**CUTTING EDGE  
TECHNOLOGY AND  
BLUE CHIP CLIENTS**



**LARGE TAM  
ACROSS DEFENCE,  
MARINE &  
INDUSTRIAL  
SECTORS**



**PARTNER TO THE  
DEFENCE  
INDUSTRY FOR  
OVER 30 YEARS**



**15,700 SQUARE  
METRE  
MANUFACTURING  
FACILITY &  
GLOBAL  
DISTRIBUTION  
NETWORK**



**SHAREHOLDER  
RETURNS AND  
STRONG  
FINANCIAL  
POSITION**

# 1 HFY26 HIGHLIGHTS



REVENUE  
**\$23.4m**  
(Guidance \$24m - \$26m)

TOTAL ACTIVITY<sup>1</sup>  
**\$23.3m**

EBITDA  
**-\$0.2m**  
(Guidance -\$1m - \$1m)

Cash  
**\$9.1m**

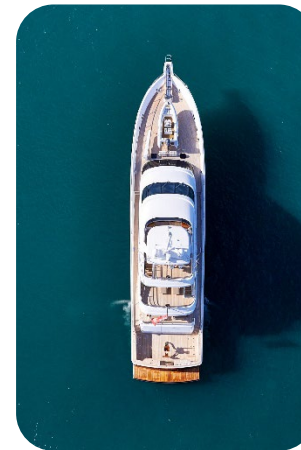
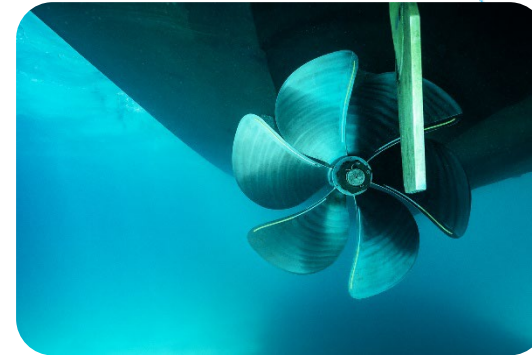
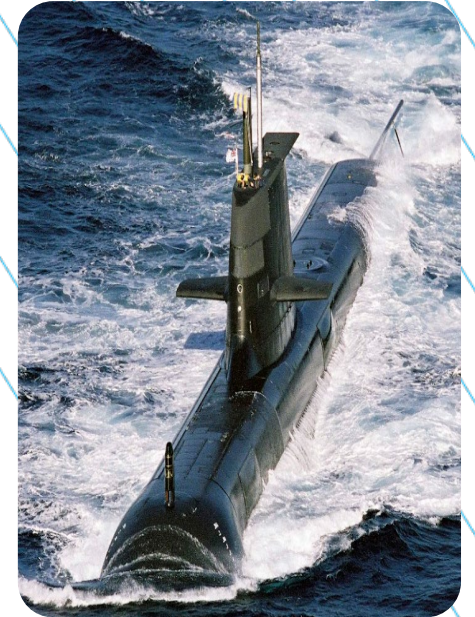
Net Debt  
**\$1.8m**

Undrawn Facilities  
**\$8.8m**

Operating  
Cashflow  
**\$4.0m**

EBITDA  
Margin  
**-0.7%**

Interim  
Dividend  
**Nil**



1. Total Activity = Sales + change in WIP

# EXECUTIVE SUMMARY



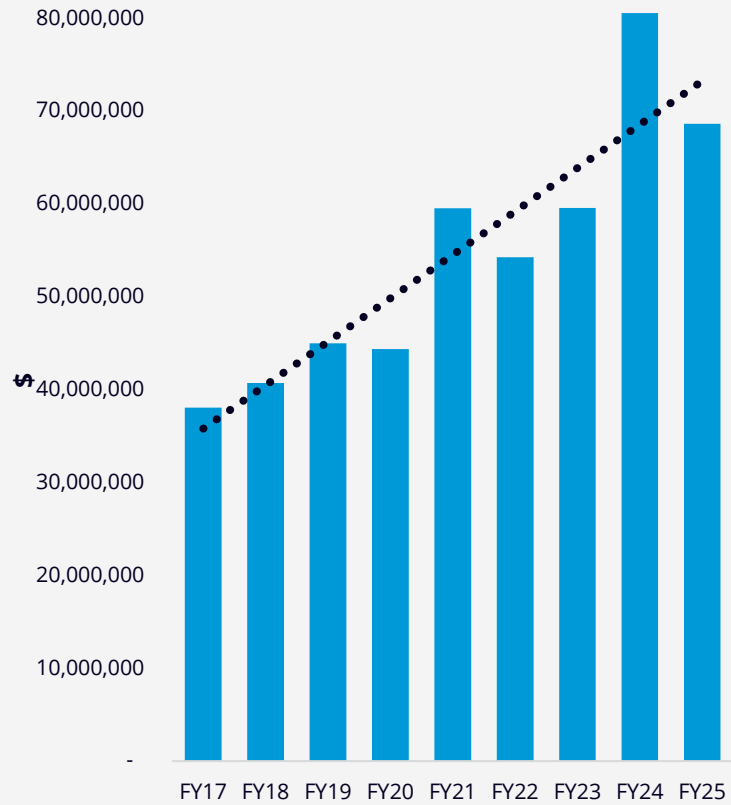
- VEEM's revenue for FY26 is expected to be between \$50m and \$52m showing an improvement on 1HFY26 led by Defence and in particular fulfilment of ASC orders.
- EBITDA for FY26 is expected to be between \$3.25m and \$3.75m with 2HFY26 EBITDA improving from \$-0.2m in 1HFY26 to \$3.45m to \$3.95m in 2HFY26 as a result of increased activity and benefit of cost reductions.
- Cashflows from operations were strong at \$4.0m in 1HFY26 and expected to remain strong with improved EBITDA and delivery into ASC orders.
- Net Debt at 31 December 2025 of \$1.8m reduced by \$11.9m after net capital raise proceeds of \$13.1m. Net cash of \$0.2m at 31 January 2026.
- Stronger 2HFY26 result driven by defence revenues as previously foreshadowed.
- Recovery in propulsion sales and orders has continued. VEEM Extreme return on investment beginning to materialise and delivery to Manly Fast Ferries has commenced and will continue into FY27.
- Factory extension construction complete with installation and commissioning of 3 new CNC machines commencing imminently.
- 3D Printer installed and commissioned with remaining \$600k government grant funds received.



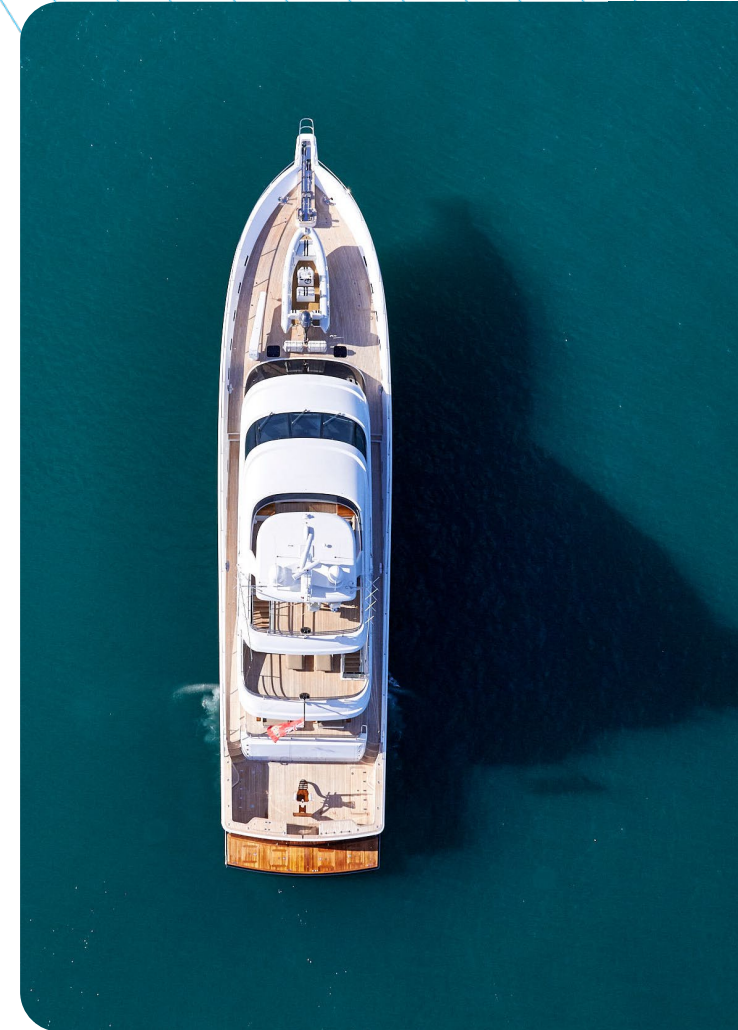
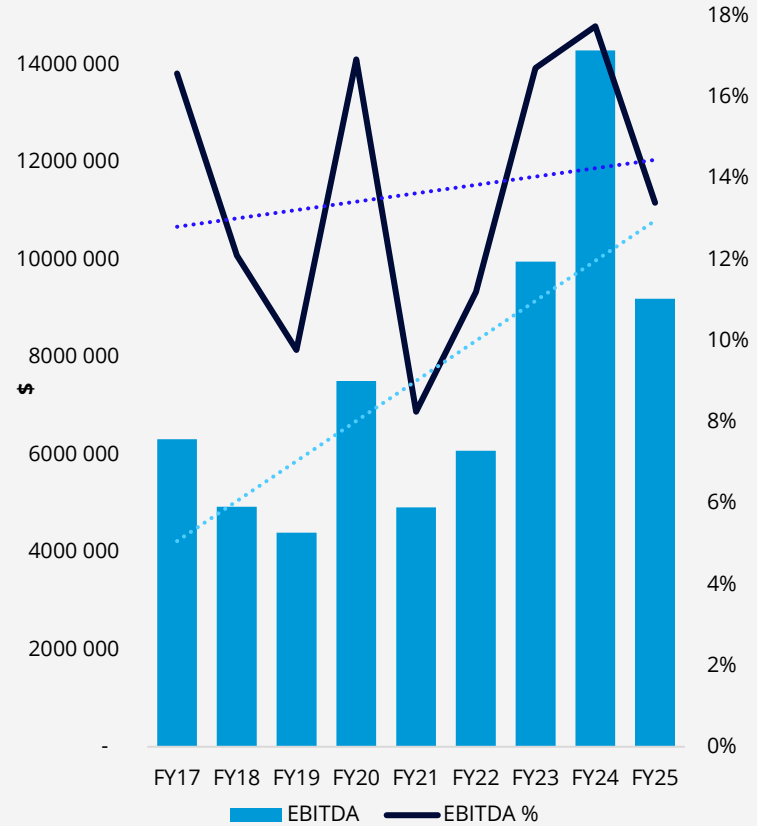
# LONG TERM GROWTH TRAJECTORY



## Annual Revenue Since Listing



## EBITDA Since Listing



# OUR PRODUCTS AND MARKETS



World's best technology with large target markets, using automation and robotics to manufacture efficiently in Australia

## PROPULSION



- World's best performing propellers
- Export globally
- Key customers are the world's leading boat builders
- VEEM Extreme launched 1HFY26

**Market:** Estimated propeller market size of US\$2.6bn including US\$0.3bn of new vessels each year

### Future:

- Facility expansion (machine commissioning)
- VEEM Extreme
- Shaftlines
- Other associated products

## DEFENCE



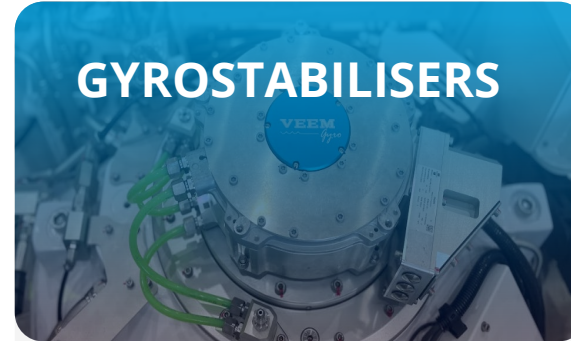
- Defence supplier for over 30yrs
- Enhanced security rating now completed
- Sticky reliable long term revenue
- USA defence supply chain entry underway – Pre AUKUS

**Market:** Defence spending accelerating across the western world

### Future:

- Hunter Class Frigate opportunities
- Overseas T26 programs
- AUKUS opportunities – Aus, US, UK
- General increase in sovereign defence capacity and capability

## GYROSTABILISERS



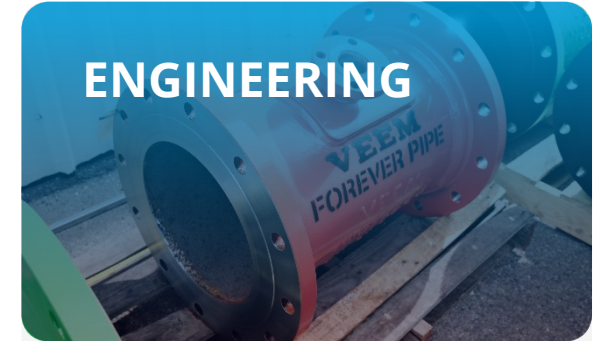
- Only major supplier of large gyros
- Large barriers to entry
- Market exists for commercial , defence and recreational uses
- Mark III launched 1HFY26

**Market:** Estimated market size of US\$1.1bn for new builds and US\$13.5b for retrofits (current fleet)

### Future:

- Deeper penetration into commercial market
- Expansion to defence and defence related industries
- \$1.4B addressable market globally Adoption escalation similar to smaller recreational gyros

## ENGINEERING



- Foundry led, precision-engineered products
- Over 250 Alloys available
- Highly accredited ISO9001; 14001; 450001; 27001; NATA and more

**Market:** Infrastructure, oil and gas, mining and commercial clients. Mostly domestic.

### Future:

- VEEM products such as Hollow Bar pushing into new markets
- Increase in sovereign capacity and capability
- 3D printing for specialised castings



# FINANCIAL RESULTS



# 1HFY26 PROFIT



FY26 – A transition year laying the foundation for higher future revenue and profitability

Q2FY26 expected propeller revenue trough with signs of improvement to marine market in Q3FY26 continuing into Q4FY26.

VEEM Extreme enquiries have been robust since launch with 1<sup>st</sup> contract signed and initial deliveries to Manly Fast Ferries beginning in 2HFY26.

ASC revenue was down 65% to \$1.6m due to delay in receipt of orders which were received late in the half and are currently being delivered, underpinning 2HFY26.

Engineering products and services revenue (excluding defence) was down 5% but remained solid after a significant increase (13%) in the prior period.

Gyro Mark III expected to spur sales into FY27 as units become available across the range.

Result includes set up and preparatory (including security) costs for US defence revenue. In addition to development costs associated with Gyro Mark III and VEEM Extreme.

Pre-tax non-cash gyro impairment of \$24.8m most significant contributor to loss for the half year.



**Revenue**

**1HFY25  
A\$mil.**

**1HFY24  
A\$mil.**

**% Change**

23.4

33.6

-30%

**EBITDA\***

(0.2)

3.9

-104%

**Profit before Tax\*\***

(27.74)

0.9

-3,027%

**Net Profit after Tax  
(NPAT)\*\***

(19.23)

1.0

-1,989%

**Earnings Per Share  
(EPS)(cents)**

(13.67)

0.75

-1,923%

# BALANCE SHEET 31 DEC 25



Fortified balance sheet post capital raising

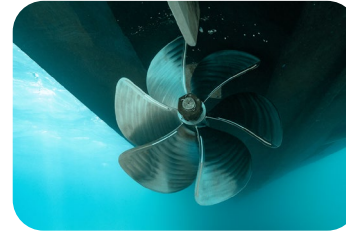
\$13.1m net proceeds of capital raising strengthened balance sheet and provided platform for investment into defence.

The Company held cash on hand of \$9.1m at 31 Dec 2025 (30 June 2025: \$0.8m) with a drawn overdraft facility of \$nil (30 June 2025: \$2.5m) with undrawn amount of \$4.0m (30 June 2025 \$1.5m).

Total unused facilities of \$8.8m (30 June 2025: \$3.4m).

Capex of \$0.6m consisted of equipment and tooling for propellers (\$0.4m funded by hire purchase contracts).

Product development costs fully impaired (\$24.2m) to nil in addition to obsolete inventory identified as a result of introduction of Mark III (\$0.6m).



	31 Dec 2025 A\$mil.	30 June 2025 A\$mil.	% Change
Current Assets	45.4	43.0	5.5%
Non-Current Assets	37.8	54.2	-35.8%
<b>Total Assets</b>	<b>80.2</b>	<b>97.2</b>	<b>-17.5%</b>
Current Liabilities	15.0	20.7	-27.3%
Non-Current liabilities	17.0	22.3	-23.6%
<b>Total Liabilities</b>	<b>32.0</b>	<b>42.9</b>	<b>-25.4%</b>
<b>Net Assets</b>	<b>48.2</b>	<b>54.3</b>	<b>-11.3%</b>
Retained earnings	23.1	42.3	-45.5%
<b>Total Equity</b>	<b>48.2</b>	<b>54.3</b>	<b>-11.3%</b>

# CASH FLOW 1HFY26



Underlying business underpins solid cash flow

Cashflows from operations of \$4.0m (1HFY25: \$1.8m) were very strong as a result of commencement of the next phase of the ASC contract.

\$14m (before costs) raised via the issue of new shares with \$13.1m remaining after payment of costs associated with the issue.

\$1.1m of HPs were repaid and there were \$0.4m of new HPs to fund asset additions.

At 31 Dec 2025 VEEM had an undrawn overdraft facility of \$4.0m and \$2.4m undrawn on the trade facility.

Cash balance increased to \$10.3m at 31 Jan 2026 alongside increase in operating activity.



**Cash flows from operations**

**Cash flows from investing activities**

**Cash flows from financing activities**

**Net (decrease)/ increase in cash**

**Cash at end of period, net of overdraft**

**1HFY25  
A\$mil.**

**1HFY24  
A\$mil.**

**% Change**

4.0

1.8

+128%

(1.3)

(1.1)

+22%

8.2

(2.5)

n/a

10.9

(1.8)

n/a

9.1

(1.6)

n/a

# NET DEBT – 1HFY26



Capital raising significantly reduces net debt

\$13.1m net proceeds received from capital raising conducted during the half year.

Net debt further decreased post the end of the half-year with the company moving to a net cash position of \$0.2m at 31 January 2026 based on defence revenue ramping up as ASC orders are fulfilled.

Strengthened balance sheet in anticipation of investments to support growth in defence and propulsion including arrival of a 3D printer (commissioned) and 3 CNC machines (installation to commence June 2026).

At 31 Dec 2025 VEEM had an undrawn overdraft facility of \$4.0m and \$2.4m undrawn on the trade facility providing significant liquidity. With an additional \$2.4m of other undrawn facilities.



	31 Jan 26 A\$mil. <sup>2</sup>	<b>31 Dec 25 A\$mil.</b>	30 Jun 25 A\$mil.
Overdraft	-	-	2.5
Bank debt	5.5	6.1	6.5
Hire purchase liabilities	4.6	4.8	5.5
Less cash held	(10.3)	(9.1)	(0.8)
Net debt/(Net cash)	(0.2)	1.8	13.7



# OPERATIONAL HIGHLIGHTS



# PROPULSION



Propulsion (non defence) sales of \$13.0m in 1HFY26 were down 9% on 1HFY25 with signs of improvement in the marine market in late 1HFY26 continuing into 2HFY26 with increased orders.

The new world beating VEEM Extreme propellers and shaft lines were launched to limited key customers with significant enquiries received from other interested parties since.

VEEM Extreme propeller and flow aligned rudders showed a staggering 18.1% less fuel burn and carbon emissions than standard parallel plate rudders and a class 1 propeller. All verified with Lloyds Classification Society on board. Brackets and smaller shafts to follow in 1HFY27.

Manly Fast Ferries is a VEEM Extreme launch customer with contract signed in 1HFY26 and first deliveries into that made in 2HFY26. They showed an 8.3% fuel burn reduction just with the VEEM Extreme propellers (existing VEEM customer)! Modelling forecasts rudders reducing approx. 7% more.

An increase in offerings is also a part of the growth strategy including shaftlines, flow aligned rudders and associated equipment both using conventional materials and VEEM Extreme.

Amendment to agreement with Sharrow to accelerate the roll out extended for a further 6 months. Not to be left behind, Sharrow will have the option of VEEM Extreme alloy advantages as well.

Defence revenue of \$3.7m in 1HFY26 was down 49% on the corresponding period largely as a result of the delay in receipt of ASC orders until late in the half which are being delivered on in 2HFY26 and will drive significantly increased Defence revenue in 2HFY26 flowing into FY27.

VEEM continues to be a reliable, local source of highly sophisticated critical components for the Collins Class submarines which have been approved for LOTE to remain in service to 2040s.

VEEM has received final technical specification for the blades and hubs for the Hunter Class Frigate Program (HCFP) demonstrator program for BAE Systems Australia. Moving to final tender stage.

Successful completion will confirm VEEM as a qualified supplier, making it one of only two suppliers globally to be able to produce this level of precision.

Work continues to enter the US defence supply chain with VEEM already achieving approved supplier status with HII, EB, Blus Forge and signing a 9-year MLA with Northrop Grumman for up to US\$33m which can be increased by amendment.

VEEM continues to monitor developments with AUKUS and other defence initiatives in Australia and the US to ensure it is in the best position to win its share of precision manufacturing work programs.

Revolutionary, next generation Mark III gyro launched during 1HFY26.

**Key features include:**

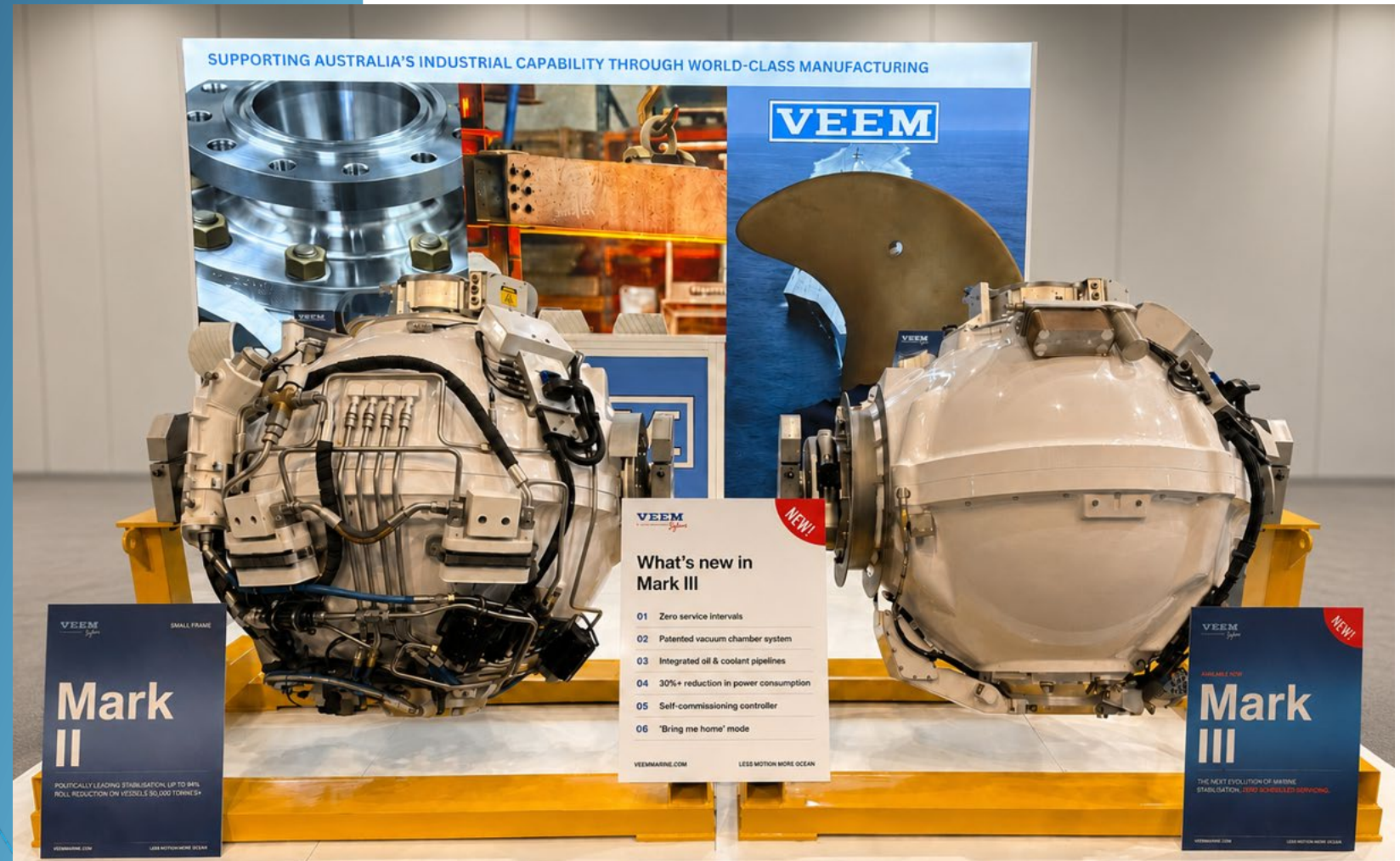
- New oiling system (Patent pending) – Elimination of seals means no scheduled maintenance and 20% less power usage.
- Custom low friction bearings – 20% additional reduction in power consumption for small and mid frame models.
- Internal fluid galleries - Removes over 60 points of failure and reduces assembly time.

Post launch of the Mark III which was a significant leap forward, development costs have peaked.

The significant slow down in the global marine sector meant no sales of gyros in 1HFY26 however there has been a sale of 1 x VG140 in 2HFY26 with sales expected to significantly increase into FY27.

The Company continues to drive sales of its gyro range as the sole global supplier of large gyros for marine vessel stability applications, with several significant leads being pursued including in the defence sector.

## Mark II vs Mark III – Simpler - Better



Mark II vs Mark III pictured at recent Indian Ocean Defence and Security Conference – Perth – 26-28 May 2026

# ENGINEERING PRODUCTS AND SERVICES



Engineering products and services revenue (excluding defence) of \$8.2m in 1HFY26 was down 5% and remained solid in the context of a large 13% increase in 1HFY25.

VEEM's traditional engineering business focuses on foundry-led, precision engineered products, including custom designs and its own hollow bar products (e.g. Forever Pipe).

Demand generally for foundry-led, precision engineered products remains steady but the Company is monitoring the potential impact of the higher cost environment especially since the onset of the conflict in the middle east.

VEEM will continue to focus on recruitment and maintenance of labour resources through a number of initiatives in order to service the current pipeline of work.

# FACTORY EXTENSION



Construction of factory extension complete and hand over imminent (~1,000m<sup>2</sup>).

3 CNC machines on order to be delivered imminently with installation & commissioning to follow.

Capacity exists beyond the current 3 machines for continued expansion of machines and equipment in line with demand expected to increase including from VEEM Extreme.

3D printer delivered; installed and commissioned. Remaining \$600k of \$1m grant received.

The 3D printer provides additional capabilities which are anticipated to improve accuracy and speed which is expected to improve margins and also the scope of VEEM's offering to existing and new customers.



**VEEM**

**OUTLOOK**

# OUTLOOK – PROPULSION & DEFENCE



## PROPULSION



- Global demand for propellers expected to continue to increase.
- Monitoring impact of Middle East conflict.
- VEEM Extreme to be advanced with launch customers.
- Expansion of offerings to including shaftlines & rudders.
- Drive to automate continues unabated.

## DEFENCE



- Defence remaining strong as orders received from ASC continue to be delivered into FY27.
- Continued qualification work as part of entry into US Defence.
- Hunter – moving to final tender stage.
- High-level qualifications to be leveraged with BAE/Kongsberg/Navy to supply other defence programs.
- Other defence work for different prime contractors, including Austal, is also expected to continue.
- VEEM is active and well positioned to take advantage of opportunities that may arise out of AUKUS etc.

# OUTLOOK – GYRO & ENGINEERING

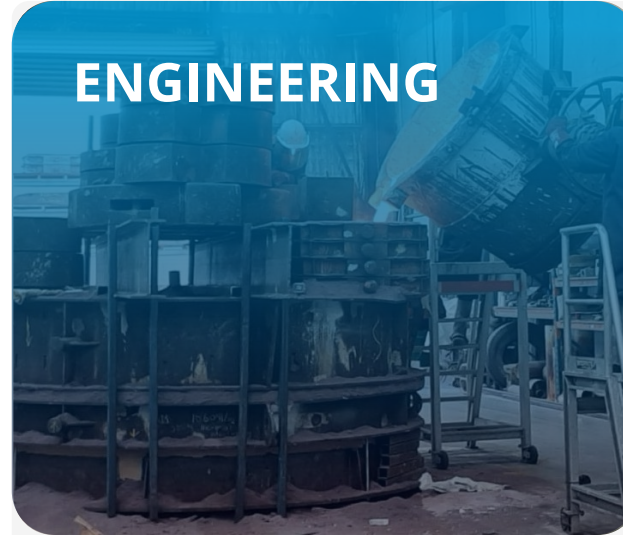


## GYROSTABILISERS



- Mark III marketing and availability to drive sales in FY27.
- Growth expected in existing commercial and recreational sectors.
- Working to expand into defence and defence related sectors.
- Benefits of a VEEM gyro for operational & HSE better understood.

## ENGINEERING



- Steady demand expected to continue.
- 3D printing to reduce costs.

## GENERAL

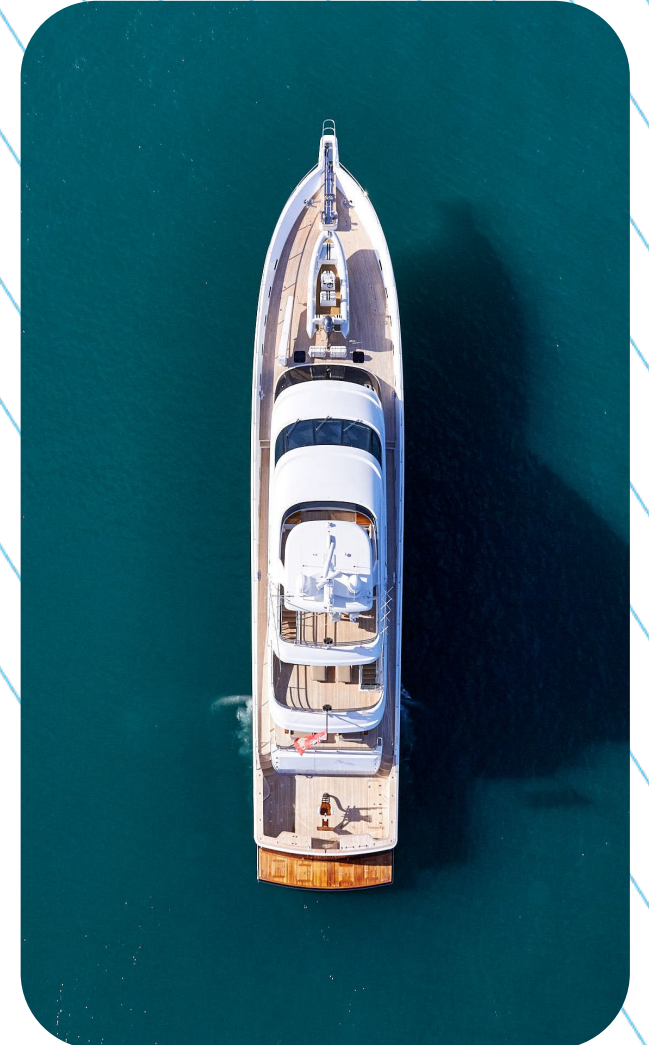
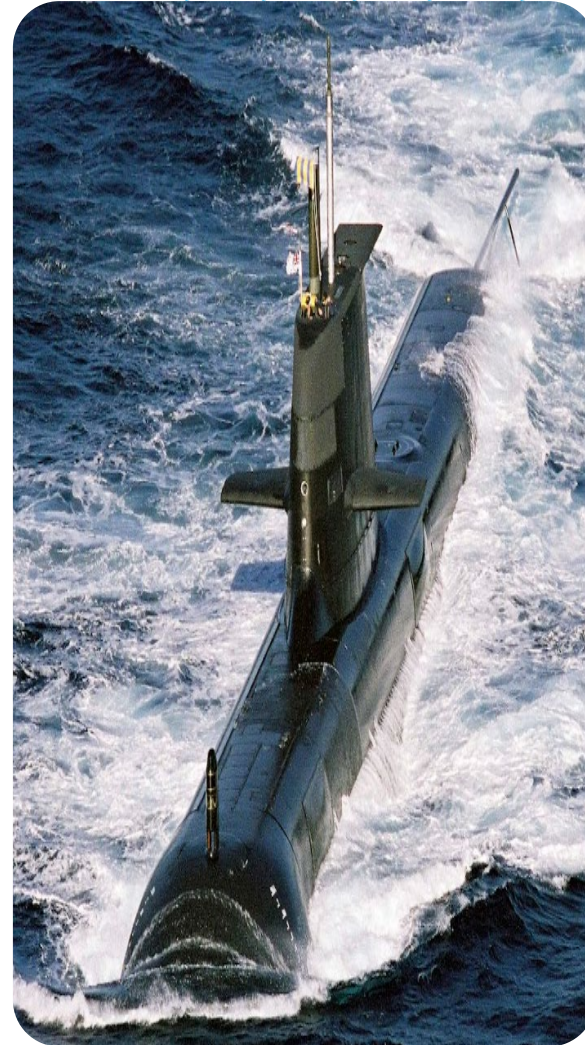


- Benefits of reduced overhead flowing.
- Additional capacity allows for growth.

# TRADING UPDATE

- FY26 revenue is expected to be between \$50m and \$52m.
- FY26 EBITDA is expected to be between \$3.25m and \$3.75m.
- 30 June 2026 cash balance expected to be consistent with 31 December 2025.
- 2HFY26 recovery led by defence and propellers, in particular defence delivery into ASC orders received late 2025 and early 2026.
- FY26 is a transition year with new products (VEEM Extreme and Gyro Mark III) expected to contribute to continued revenue growth in FY27.

VEEM



# Q&A

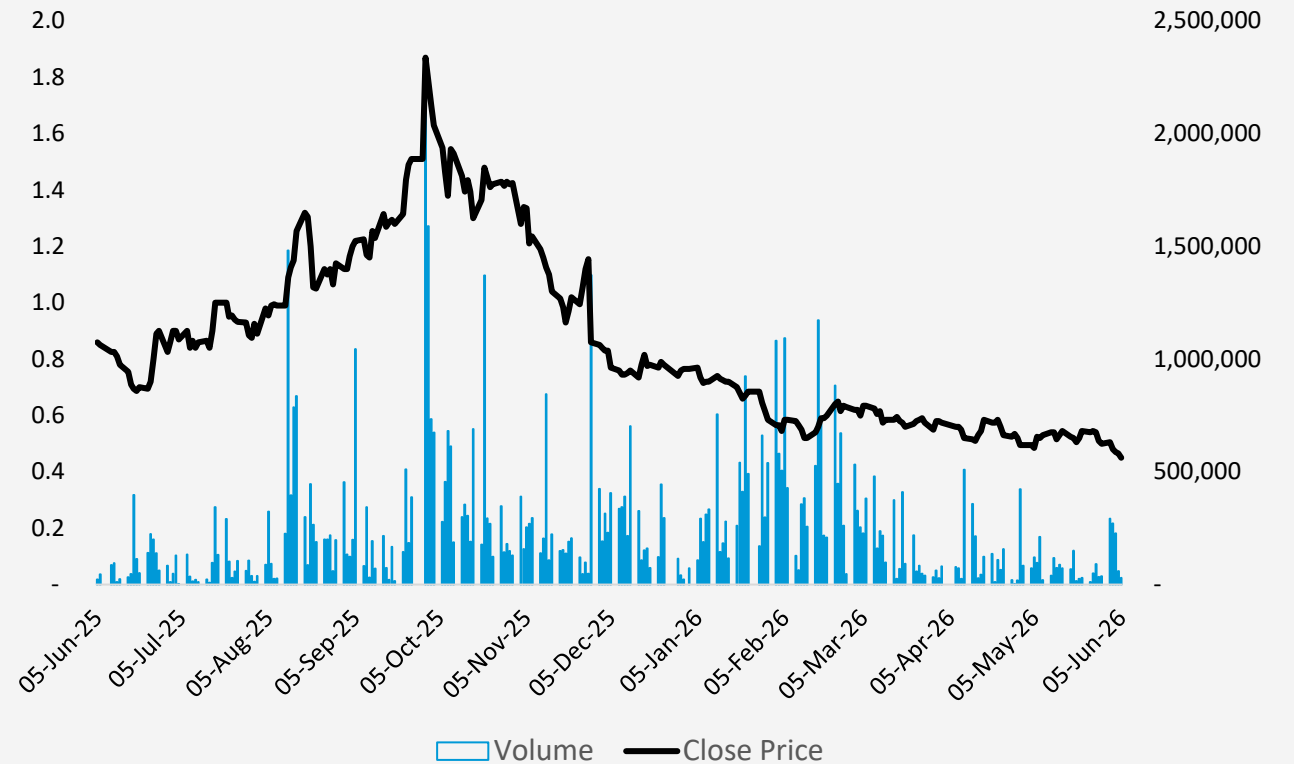
# CORPORATE OVERVIEW



## Corporate Snapshot

ASX Code	VEE
Share Price (5 June 2026)	\$0.45
Market Capitalisation (5 June 2026)	\$66.0m
Shares on Issue	147m
<b>Substantial Shareholders</b>	<b>%</b>
Miocevich Family	46.9%
Perennial Value Management	14.9%

## VEE Share Price History





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