

Quarterly Business Update

Period Ending 31 March 2023

Highlights

- Non-binding Memorandum of Understanding (MOU) signed with Trinseo Europe GmbH (Trinseo), to combine AnteoX™ with Trinseo's VOLTABOND™ binder technology to deliver performance improvements to existing and future customers.
- Non-binding MOU signed with Wyon AG (Wyon), to deliver a material improvement in the current and future performance of Wyon's battery cells, through the use of AnteoTech's silicon anode technology, in both rechargeable miniature and micro batteries – specific to the MedTech segment.
- Appointment of Ms Tsui Min Lian to the newly created position of Chief Marketing Officer effective 15 March.
- Raising of \$1,796,892.30 representing an exercise of 94.7% of Options on market as at 7 March 2023.
- Refocusing of business activities represents cost savings of \$400k per quarter.
- Headcount reduced by 5 FTE, and internal re-allocation of 3 heads into the CET division to support the growth initiatives.

Company Update

On 22 February, AnteoTech CEO and Managing Director, David Radford provided a Company Update, that outlined the strategic plan and roadmap to short and mid-term revenues for both Life Science and Clean Energy Technology divisions through increased product offerings and partnerships. The presentation also presented the KPI's for both divisions for the balance of this and next financial year. The webinar can be viewed [here >>](#).

During the quarter, the Company has taken multiple initiatives to reduce the cash expenditure including:

- Ceasing of clinical studies on COVID products
- Reducing headcount
- Reallocating headcount to growth areas of the business
- Focusing expenditure on key strategic growth initiatives

These initiatives have enabled cost savings of \$400k per quarter as the Company refocuses on near and medium term revenue opportunities. Moving forward, further reallocation of resources towards growth areas of the business will be undertaken as and when required.

The new Company website and branding is on track for release in Q4FY23 with the assistance of the new Chief Marketing Officer who commenced on 15 March.

Key Activities

Clean Energy Technology

Strategic Objective: Transition to cash generating business division.

Target Revenue Generation

During the quarter, the CET division achieved significant milestones advancing the strategic objective of revenue generation through AnteoX sales and micro silicon anode licensing, with the signing of Non-Binding Memorandum of Understandings (MOUs) with Trinseo [ASX 22 February 2023] and Wyon [ASX 2 March 2023].

The MOUs provide independent validation of the technology, its potential in the market and demonstrates the Company's progress in establishing strategic partnerships that will lead to revenue generation in the CET division.

The partnerships with Trinseo and Wyon were formally kicked off with the first Project Steering committee meetings held during a recent trip to Europe by members of the senior leadership of AnteoTech. These meetings provided an opportunity to progress the partnerships and to confirm the milestones and targets to enable the next step in the finalisation of a commercial agreement or agreements in the short term. Whilst in Europe the senior leadership team also met with several of the key players in the automotive industry as the Company seeks to explore commercialisation opportunities across different industry verticals and routes to market.

AnteoTech will be exhibiting at the Battery Show in Stuttgart in May, which will provide further business development opportunities as the Company converts current Collaborators to business Partners.

Building CET Capability & Processes

The AnteoX Pilot Plant commissioning is scheduled for late Q1FY24. The first long lead item, a custom built 500L Mixing Tank, was delivered in March, with a pump / filter module on track for delivery in late May.

In parallel, the Company has commenced recruitment of the headcount it will require to enable the Company to remain at the forefront of the development initiatives it is currently following in the CET division.

Upcoming Events

The Battery Show – Europe, 23-25 May, 2023



AnteoTech will be exhibiting at The Battery Show Europe, one of the leading exhibitions for advanced battery technology, which will take place on May 17-19, 2023, in Stuttgart, Germany.

The Battery Show Europe provides AnteoTech with the opportunity to connect with industry leaders, network with peers, and gain valuable insights into the latest trends and innovations in the field of battery technology.

As a leading innovator in the field of battery technology, AnteoTech will be showcasing the AnteoX and Anode technology solutions.

Meetings are being scheduled with potential business partners in order to advance discussions held in late March and to commence new commercial and strategic partnership discussions.

Life Science

Strategic Objective: Development of revenue streams leveraging AnteoBind and Point of Care capability to create new opportunities.

AnteoBind & Assay Services

A key focus for the Life Science division during the quarter was to drive the growth of the AnteoBind business through the targeting of new opportunities and strengthening of existing relationships. In February, AnteoTech presented at the Merck workshop in Rome, focused on diagnostic assay development and commercialisation opportunities. The workshop has resulted in several new opportunities for AnteoBind evaluations, from IVD manufacturers, contract development companies and research organisations. These opportunities will be prioritised according to the ability to generate short term revenues.

Marketing initiatives for AnteoBind and Assay Services have also commenced, driven by the Chief Marketing Officer. These initiatives will focus on positioning AnteoBind for both short and mid-term revenues, creating brand awareness and increased uptake through directed campaigns to key target audiences.

Point of Care (PoC) Acquisitions

The evaluation of acquisition and partnership opportunities is ongoing. The Leadership team are reviewing several opportunities and conducting assessments to make decisions that align with the Company's growth strategy and aim of becoming a leading global contract developer / manufacturer of Point of Care Tests across multiple business segments. The Company will only pursue partnership, acquisition and joint venture opportunities that advance our goal of significant near term revenue growth in our life sciences division.

Merck: Rapid Point of Care Test Development Workshop, 13-15 June, 2023

AnteoTech will be partnering with Merck to deliver a hands-on multi day workshop. During this meeting AnteoTech will be showcasing the AnteoBind conjugation chemistry and running a workshop, highlighting the ease of use and effectiveness of AnteoBind in activating dyed and fluorescent Estapor® Microspheres. Further details on the workshop can be found [here >>](#).

Corporate

Cash

Cash receipts for the quarter totalled \$62,000.

Net cash outflows from operating activities were \$2,521,000

Summary of expenditure on business activities in the quarter (refer Appendix 4 C Quarterly Cash Flow Report for 31 March 2023):

	\$ '000
Business Expenses:	
Research and Development	254
Staff, Admin and Corporate	1,996
Other	346
Capital Expenses (incl. IP)	257

Cost controls and expenditure reduction has resulted in over \$400k in savings each quarter over the past 6 months.

AnteoTech had \$5.478 million cash on hand as at 31 March 2023 with no debt.

During the last quarter, AnteoTech has successfully implemented several cost-saving measures. These measures together with \$700,000 savings realised by halting the European clinical trial [ASX 2 November 2022], has provided the company with additional cash for strategic operations. These measures include the re-allocation of resources from the Life Science division to the Clean Energy Technology division (removing the need for external recruitment), headcount reductions as result of natural attrition, and right sizing the organisation for its focus on commercial driven outcomes. As a result of these efforts, the company has been able to streamline its operations while maintaining its focus on delivering products and services to its customers.

ASX Listing Rule 4.7C disclosure

\$94,000 was spent during the quarter to Related Parties, as reported in Item 6.1 of the ASX Appendix 4C (Quarterly Cash Flow Report). This comprises the directors' fees.

For further information, please check our website (www.anteotech.com) or contact Mr David Radford on + 61 7 3219 0085.

Media and investor inquiries may also be directed to Friederike Graser, on +61 7 3219 0085.

This announcement has been authorised for release by David Radford, CEO & Managing Director.

About AnteoTech - AnteoTech Ltd (ASX:ADO)

AnteoTech is a surface chemistry company with Intellectual Property ("IP") in its core technology product groups AnteoBind™, AnteoCoat™, AnteoRelease™ and AnteoX™. The Company's purpose is to create shareholder value by identifying and solving important global industry problems by providing unique value-add solutions for its customers. Customers operate in the life sciences, diagnostics, energy and medical devices markets.

AnteoTech - Social Media Policy

AnteoTech is committed to communicating with the investment community through all available channels. Whilst ASX remains the prime channel for market sensitive news, investors and other interested parties are encouraged to follow AnteoTech on Twitter (@AnteoTech_), LinkedIn.

Subscribe to AnteoTech Latest News emails - visit our website at www.anteotech.com and subscribe to receive our email alert service.



Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

AnteoTech Ltd

ABN

75 070 028 625

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	62	480
1.2 Payments for		
(a) research and development	(254)	(1,966)
(b) product manufacturing and operating costs	(9)	(154)
(c) advertising and marketing	(117)	(387)
(d) leased assets	(220)	(516)
(e) staff costs	(1,620)	(4,883)
(f) administration and corporate costs	(376)	(1,248)
1.3 Dividends received (see note 3)		
1.4 Interest received	13	39
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives	-	3,217
1.8 Other (ATO cash boost)		
1.9 Net cash from / (used in) operating activities	(2,521)	(5,418)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment	(102)	(708)
(d) investments		
(e) intellectual property	(155)	(347)
(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(257)	(1,055)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	1,831	1,848
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	1,831	1,848

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	6,425	10,103
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,521)	(5,418)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(257)	(1,055)

Appendix 4C
Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,831	1,848
4.5	Effect of movement in exchange rates on cash held	0	0
4.6	Cash and cash equivalents at end of period	5,478	5,478

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	5,478	6,425
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,478	6,425

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	94
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities		
7.5 Unused financing facilities available at quarter end		
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(2,521)
8.2 Cash and cash equivalents at quarter end (item 4.6)	5,478
8.3 Unused finance facilities available at quarter end (item 7.5)	0
8.4 Total available funding (item 8.2 + item 8.3)	5,478
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	2.173
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Not Applicable	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: Not Applicable	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: Not Applicable	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Tim Pritchard
Company Secretary
18 April 2023

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.