

ASX RELEASE**29 July 2022****ASX: NVU**

Quarterly Activities Report and Appendix 4C for the Quarter Ended 30 June 2022

Highlights:

- **Alan Scott Industries Ltd (BSE: 539115) and Nanoveu sign a Memorandum of Understanding to form a Joint Venture Company in India, to be called Alan Scott Nanoveu India Limited (ASNIL)**
- **The Joint Venture will have paid up capital of USD200,000 and will focus on selling Antiviral Nanoshield products into the world's second most populous country of over 1.4 billion people. India has experienced over 43 million infections to date according to <https://www.worldometers.info/coronavirus/>**
- **Nanoveu will own a 35% stake in this Joint Venture company, representing an investment of USD70,000 by Nanoveu**

Nanoveu Limited (**ASX: NVU**) ("**Nanoveu**" or the "**Company**") is pleased to provide an overview of activities to accompany the Appendix 4C for the quarter ended 30 June 2022 ("**Quarter**", "**Reporting Period**") including subsequent events that might have a significant impact between 30 June 2022 and the date of issuance of this Report.

Nanoveu Signs MoU to Establish JV in India:

As announced on 30 June 2022, Nanoveu and Alan Scott Industries Ltd (Alan Scott) have signed a memorandum of understanding (MoU) to establish a new company to be called Alan Scott Nanoveu India Limited (ASNIL) which will have a paid-up capital of US\$200,000 and be 35% owned by Nanoveu. The MoU shall terminate on 31 December 2022 unless agreed otherwise by the parties.

Commercial terms will be negotiated and finalised during the period the MoU is in place following which a definitive agreement is expected to be signed which will see ASNIL buy Nanoshield products from Nanoveu and sell these in India utilising Alan Scott's existing networks and retail outlets.

Expenditure:

An Appendix 4C detailing expenditure for the quarter is appended. Payments to related parties totalling \$111k were paid during the quarter for directors' fees, executive remuneration, and pension / superannuation benefits.

The Company's focus has been the commercialization of its anti-viral products.

Expenditure for the quarter ended 30 June 2022 included:

- Product manufacturing and operating expenditure of \$79k incurred in producing products for sale, specifically the Company's anti-viral products, including the purchase and production of inventory for sale;
- Advertising and marketing expenditure of \$44k related to marketing the Company's anti-viral products;
- Staff costs of \$328k comprising the costs of all staff employed by the Company and directors' remuneration; and
- Administration and corporate costs of \$72k associated with running the Company, including ASX fees, audit fees, legal fees, share registry fees and rent.

Issue of Shares Subsequent to Period End:

On 22 July 2022, the Company issued 10,714,286 shares at \$0.014 retiring \$150,000 of debt of the Company.

- Ends -

This announcement has been authorised for release by the Board of Directors

For further information, please contact:

Alfred Chong
Managing Director and CEO
t: +65 6557 0155
e: info@nanoveu.com



About Nanoveu Limited

We are technology innovators who specialize in modern, cutting-edge nanotechnology that improve the way we live, from reducing contagious transmissions on high touch points to immersive vision-based entertainment. <https://www.nanoveu.com/>

Nanoshield™ - is a film which uses a patented polymer of Cuprous embedded film to self-disinfect surfaces. Nanoshield™ antiviral protection which is available in a variety of shapes and forms, from mobile screen covers, to mobile phone cases and as a PVC commercial film, capable of being applied to several surfaces such as doorhandles and push panels. The perfectly clear plastic film contains a layer of charged copper nanoparticles which have antiviral and antimicrobial properties. This technology is also being applied to fabric applications targeting use in the personal protective equipment sector.

EyeFly3D - is a film applied to digital displays that allowed users to experience 3D without the need for glasses on everyday mobile handheld devices.

Customskins - are vending machines capable of precisely applying screen covers to mobile phones with an alignment accuracy of 150 microns.

EyeFyx - currently in research and development stage, EyeFyx is a vision correction solution using hardware and software to manipulate screen output addressing long-sightedness without the need to wear reading glasses.

About Alan Scott

Alan Scott Ind. Ltd was established in 1994 to produce a variety of knitwear. In early 2000 they ventured into media and advertising. Alan Scott Ind. Ltd was acquired by the current Leadership team in early 2021 and is the holding company for several wholly owned subsidiaries to house emerging technologies & new investments made by the group. (Alan Scott Health & Hygiene Limited, Alan Scott Retail Limited, Meta Star Pvt. Ltd & Alan Scott Nanoveu India Limited are the Subsidiaries.

The group has diversified financial interests & stakes in Rubix Technologies - Modular L1 Blockchain Architecture for Web3 Scale Apps at Zero Gas Fees, Jupiter Metaverse - India's 1st fully NFT curated Marketplace, Pharmaceuticals, Automation & Robotic solutions, Electrical Lighting & Components.

Alan Scott Health & Hygiene (ASH+H) has its own internal research & development department headed by Dr. Rajeev Godkhindi & Dr. Vikal Chaurasiya. ASH+H design and manufacture patented air purifiers branded as Astra, Olivia & Merlin catering to various segments in the Air Purifier market. ASH+H is also the inventor of ATMOS; a revolutionary air compression technology for the automotive paint industry and other industry verticals. ASH+H also manufactures bespoke Oxygen Concentrators starting from 5 LPM to 60 LPM apart from plants for higher LPM requirements.

Alan Scott Retail Limited is the master franchise owner of Miniso (NYSE: MNSO) and Xtep (SEHK: 1368) for India. They have already opened 14 brick and mortar retail Miniso stores in India and plan to have 50 by March 2023. ASNIL will work closely with Miniso to create retail products for their stores globally (>4,000 locations).

Appendix 4C

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

Name of entity

Nanoveu Limited

ABN

97 624 421 085

Quarter ended ("current quarter")

30 June 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers		56	127
1.2 Payments for			
(a) research and development		-	(76)
(b) product manufacturing and operating costs		(79)	(96)
(c) advertising and marketing		(44)	(102)
(d) leased assets		-	-
(e) staff costs		(328)	(679)
(f) administration and corporate costs		(72)	(162)
1.3 Dividends received (see note 3)		-	-
1.4 Interest received		-	-
1.5 Interest and other costs of finance paid		-	-
1.6 Income taxes paid		-	-
1.7 Government grants and tax incentives		6	15
1.8 Other (provide details if material)		-	4
1.9 Net cash from / (used in) operating activities		(461)	(969)
2. Cash flows from investing activities			
2.1 Payments to acquire:			
(a) entities		-	-
(b) businesses		-	-
(c) property, plant and equipment		(7)	(77)
(d) investments		-	-
(e) intellectual property		-	-
(f) other non-current assets		-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 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	(7)	(77)

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	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(5)	(5)
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	(5)	(5)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,435	2,013
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(461)	(969)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(7)	(77)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(5)	(5)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	962	962

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	206	158
5.2	Call deposits	757	1,277
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)	963	1,435

**6. Payments to related parties of the entity and their
associates**

6.1 Aggregate amount of payments to related parties and their
associates included in item 1

6.2 Aggregate amount of payments to related parties and their
associates included in item 2

**Current quarter
\$A'000**

111

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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

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.

7.1 Loan facilities

7.2 Credit standby arrangements

7.3 Other (please specify)

7.4 **Total financing facilities**

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
-	-
-	-
2,400	1,600
2,400	1,600

7.5 **Unused financing facilities available at quarter end**

800

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.

The Company has received \$1,600,000 for subscription for shares with the value of \$1,756,000 to be issued.

An additional \$800,000 subscription for shares with the value of \$878,000 may be made by mutual consent of the parties, subject to the Company obtaining shareholder approval for that subscription. Nanoveu has not agreed to issue any shares under this additional subscription and both parties may elect to mutually enter into this additional subscription at a future date. There is no obligation on Nanoveu to further enter into this additional subscription.

Each of these investments will be made by way of the Investor prepaying for Placement Shares. The Placement Shares in relation to all or part of each of the above investments will be issued upon the Investor's written request, within 18 months of the final subscription. The number of Placement Shares to be issued is to be determined by applying to the subscription amount prepaid by the Investor, with the Purchase Price equal to the average of the five daily volume-weighted average prices (rounded down to the next one tenth of a cent, or if the share price exceeds \$0.10, the next half a cent) during the 20 consecutive actual trading days immediately prior to the relevant Settlement Notice Date. Each issue of Placement Shares must be for no less than \$150,000 of the Placement Shares. The selection of the 5 days within the 20 trading days is at the discretion of the Investor.

8. Estimated cash available for future operating activities

\$A'000

8.1	Net cash from / (used in) operating activities (Item 1.9)	(461)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	962
8.3	Unused finance facilities available at quarter end (Item 7.5)	800
8.4	Total available funding (Item 8.2 + Item 8.3)	1,762
8.5	Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	3.8

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

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: n/a

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: n/a.

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: n/a

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.

29 July 2022

Date:

Managing Director and CEO

Authorised by:
(Name of body or officer authorising release – see note 4)

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.