

ASX RELEASE**28 October 2022****ASX: NVU**

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

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 September 2022 (“**Quarter**”, “**Reporting Period**”) including subsequent events that might have a significant impact between 30 September 2022 and the date of issuance of this Report.

Advancer Global Issues Key Purchase Agreement to Nanoveu:

On 1 August 2022, Nanoveu announced that Advancer Global Limited (SGX: 43Q.SI) had been appointed the exclusive distributor of the Company’s antimicrobial product range of films and sprays for Singapore.

Advancer Global Limited have placed an initial order of USD\$120,000 (~AUD\$170,000).

Advancer Global Limited is a listed Singapore MNC and a leader of integrated solutions provider that specialises in providing workforce solutions and facilities management services with over 1,200 employees in Singapore.

The agreement is for a term of one year, renewable subject to a minimum of USD364,000 (~AUD520,000) being purchased from Nanoveu during the first 12 months following which the Parties will agree a further minimum purchase commitment for Advancer to retain exclusivity for Singapore.

Advancer Global Limited to market all products under their own brand(s) via their subsidiaries and existing distribution channels providing a platform to consume and scale Nanoveu’s range of antimicrobial products.

Expenditure:

An Appendix 4C detailing expenditure for the quarter is appended. Payments to related parties totalling \$85k 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 September 2022 included:

- Product manufacturing and operating expenditure of \$15k 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 \$30k related to marketing the Company’s anti-viral products and the Company;

- Staff costs of \$280k comprising the costs of all staff employed by the Company including directors' remuneration (salaries, fees and superannuation/pension contributions) of \$85k; and
- Administration and corporate costs of \$125k associated with running the Company, including ASX fees, audit fees, legal fees, share registry fees and rent.

Director Resignation:

On 11 August 2022, Nannoveu announced that Mr Scott Beeton had resigned as a director and that Nanoveu had commenced a search for a replacement Director and Non-executive Chairman.

Issue of Shares Subsequent to Period End:

On 5 October 2022, Nanoveu announced it had received firm commitments from sophisticated and professional investors to raise \$1,000,000 (before costs) through the issue of 100,000,000 fully paid ordinary shares (**Shares**) in the Company (**Placement**) at an issue price of \$0.01 per Share (**Placement Shares**), together with 1 free attaching option exercisable at \$0.02 on or before the third anniversary of the issue of the Placement Shares for every 2 Shares issued, subject to shareholder approval which the Company aims to seek in November 2022 (**Placement Options**).

24,172,972 Shares were issued under the Company's placement capacity under Listing Rule 7.1, 23,327,028 Shares were issued using the Company's placement capacity under Listing Rule 7.1A and 52,500,000 shares will be subject to shareholder approval. The issue price meets the requirements of Listing Rule 7.1A.3, being more than 75% of the 15-day volume weighted average price of Nanoveu shares traded on ASX.

62 Capital Pty Ltd acted as Lead Manager to the Placement and will be paid a capital raising fee of 6% of the gross proceeds raised under the Placement. 62 Capital may elect to be paid in Shares.

Placement funds raised will be used as follows:

- | | |
|------------------------------------|-----------|
| - Sales and marketing | \$200,000 |
| - Repayment of an equity facility | \$626,000 |
| - General working capital purposes | \$174,000 |

Repayment of Equity Facility:

Part of the proceeds will be used to repay the amount outstanding to the investor under the funding agreement announced to the ASX on 14 August 2020, being \$626,000. \$326,000 of that amount will be repaid by the Company by 4 November 2022, followed by five monthly instalments of \$60,000 each.

Nanoveu also issued 7,500,000 options with an exercise price of \$0.02 and a 3 year term to the investor in consideration of a variation of the agreement to permit an early repayment of the amount outstanding. These options were issued from the Company's placement capacity under Listing Rule 7.1.

- 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.

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 September 2022

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		17	144
1.2 Payments for			
(a) research and development		(11)	(87)
(b) product manufacturing and operating costs		(15)	(111)
(c) advertising and marketing		(30)	(132)
(d) leased assets		-	-
(e) staff costs		(280)	(959)
(f) administration and corporate costs		(125)	(287)
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		1	16
1.8 Other (provide details if material)		-	4
1.9 Net cash from / (used in) operating activities		(443)	(1,412)
2. Cash flows from investing activities			
2.1 Payments to acquire:			
(a) entities		-	-
(b) businesses		-	-
(c) property, plant and equipment		(5)	(82)
(d) investments		-	-
(e) intellectual property		-	-
(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	(5)	(82)

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)
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)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	962	2,013
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(443)	(1,412)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(5)	(82)

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)	-	(5)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	514	514

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	187	206
5.2	Call deposits	327	757
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)	514	963

**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**

85

-

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)	(443)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	514
8.3	Unused finance facilities available at quarter end (Item 7.5)	800
8.4	Total available funding (Item 8.2 + Item 8.3)	1,314
8.5	Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	3.0

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.

28 October 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.