

ASX RELEASE

31 October 2024

ASX: NVU

Quarterly Activities Report and Appendix 4C for the Quarter ended 30 September 2024

Nanoveu Limited (**Nanoveu** or the **Company**) (**ASX: NVU**), a company specialising in innovative films and coatings, is pleased to provide its quarterly activities and cash flow report for the September 2024 quarter.

Highlights:

Collaborative Joint Venture Established - Fullveu Technologies (HK) Limited

- Nanoveu formed Fullveu Technologies (HK) Limited (Fullveu), a joint venture with Shenzhen Fullsand Printing & Packaging Co.,Ltd (Fullsand), holding a 51% equity stake. This Joint Venture aims to commercialise the EyeFly3D™ platform globally (excluding China).
- Fullveu combines Nanoveu's EyeFly3D™ lens technology and AI-powered apps with Fullsand's manufacturing expertise in producing unique 3D screens to create glasses-free 3D experiences.
- Nanoveu filed a new patent to secure its proprietary 3D lens technology.

Korean Market Partnership and Initial Payments with Rahum Nanotech

- Nanoveu received initial payments totaling approximately AUD \$204,251 from Rahum Nanotech to initiate production of 3D films for iPhone models as part of a minimum purchase goal of USD \$19.725 million (~AUD \$29.733 million) by December 2026 to maintain exclusive distribution rights in South Korea.
- Additional payments were scheduled, comprising AUD \$75,369 for Q4 2024 to support iPhone shipments and AUD \$135,665 in Q4 2024/Q1 2025 to support Android product development.

3D Software Integration and App Development

- Nanoveu signed a Letter of Intent (LOI) with Rahum Nanotech (Rahum) to integrate Nanoveu's AI Monocular Depth algorithms into the South Korean apps, enhancing real-time 2D-to-3D conversion capabilities.
- Rahum anticipates launch of EyeFly3D™ backed iOS and Android apps in the second half of 2024.

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Figure 1: Illustrative rendering of Eyefly3D smartphone application experience

Events Subsequent to the Quarter

Strategic Acquisition of Embedded A.I. Systems (EMASS)

- Nanoveu entered into an agreement to acquire Embedded A.I. Systems (EMASS), a leading System-on-a-Chip (SoC) Semiconductor company. The acquisition positions Nanoveu to integrate EMASS's SoC technology into its EyeFly3D™ platform and improve real-time 2D-to-3D conversions across a broader range of devices and industries. EMASS' ultra-low power SoC technology also allows Nanoveu to expand its technology offerings into the growing demand for edge artificial intelligence ("AI") applications in wearables, smart home systems, and Internet of Things ("IoT") devices.

Enhanced Market Reach and Revenue Streams

- Nanoveu received a US\$200,000 purchase order from Rahum Nanotech for EyeFly3D™ films for iPhone 16 models, part of Rahum's broader commitment to market EyeFly3D™ in South Korea, with a target of US\$19.725 million by 2026.

Capital Raise

- Subsequent to the quarter, Nanoveu secured commitments from new and existing investors to raise \$600,000 through a placement of 24 million shares at \$0.025 per share, subject to shareholder approval to be sought in December. Funds will be allocated toward EMASS development, integration with EyeFly3D™ and working capital. Following the shareholder meeting in December, the Company will also be receiving an additional \$710,000 from Tranche 2 of the Placement conducted in June 2024 (see ASX announcement 4 June 2024).

Operational Update

EyeFly3D™: During the quarter, Nanoveu established Fullveu Technologies (HK) Limited, a joint venture with Shenzhen Fullsand, holding a 51% equity stake, to commercialise the EyeFly3D™ platform globally (excluding China). The collaboration combines Nanoveu's proprietary and patented 3D lens technology with the Company's AI-powered apps together with Fullsand's manufacturing expertise to create unique, glasses-free 3D experiences leveraging the EyeFly3D™ platform. Commercialisation of the Eyefly3D platform with Rahum Nanotech is

progressing well, with initial payments received and additional payments scheduled to support 3D film production and app integration for EyeFly3D™ enabled iOS and Android launches in late 2024.

Nanoshield™ Solar: During the quarter, evaluations of Nanoshield Solar continued to advance with a number of key customers. Nanoveu focused on targeted reformulation efforts to enhance product versatility across diverse environmental conditions with the goal of optimising Nanoshield's performance in extreme climates, from the hot, arid landscapes of the Middle East to the high humidity levels found in parts of Asia.

Financial and Corporate Update

In Q3 FY24, Nanoveu recorded cash receipts from customers of \$104k during the quarter.

Payments to related parties totalling \$91k were paid during the quarter for directors' fees, executive remuneration, and pension / superannuation benefits.

Expenditure for the quarter ended 30 September 2024 have included:

- Staff costs of \$305k comprising the costs of all staff employed by the Company and directors' remuneration; and
- Administration and corporate costs of \$402k associated with running the Company, including ASX fees, audit fees, legal fees, share registry fees and rent. This also included payments from prior quarters that were completed in Q3 2024.
- Payments of \$224k were made to Fullveu Technologies (HK) Limited (*see ASX announcement 24 May 2024*) with additional legal fees of \$29k and \$50k to EMASS in Q3 2024.

Outlook

The Company's focus has been the commercialisation of EyeFly3D™ platform, with growth in Korean markets and beyond. Subsequent to the quarter, the planned acquisition of EMASS and its proprietary system on a chip (SoC) semiconductor technology is expected to increase the market reach of Nanoveu's EyeFly3D™ platform by bringing real-time 2D-to-3D conversions to a greater range of smartphones and tablets, as well as large screen TVs, delivering glasses-free 3D to new industries and applications such as medical devices, retail and digital signage. In addition to enhancing EyeFly3D™, Nanoveu will also seek to advance EMASS' ultra-low power SoC technology for new markets including edge artificial intelligence ("AI") applications in wearables, smart home systems, and Internet of Things ("IoT") devices.

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

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About Nanoveu Limited

Nanoveu is a company specialising in advanced films and coatings. <https://www.nanoveu.com/>.

Further details on the Company can be found at <https://wcsecure.weblink.com.au/pdf/NVU/02656570.pdf>.

EyeFly3D™

The EyeFly3D™ platform is a comprehensive solution for delivering glasses-free 3D experiences across a range of devices and industries. At its core, EyeFly3D™ combines advanced screen technology, sophisticated software for content processing, and now, with the integration of EMASS's ultra-low-power SoC, powerful hardware.

Nanoshield™ - is a self-disinfecting film that uses a patented polymer of embedded Cuprous nanoparticles to provide antiviral and antimicrobial protection for a range of applications, from mobile covers to industrial surfaces. Applications include:

Nanoshield™ Marine, which prevents the growth of aquatic organisms on submerged surfaces like ship hulls.

Nanoshield™ Solar, designed to prevent surface debris on solar panels, maintaining optimal power output.

EMASS

EMASS is a pioneering technology company specialising in the design and development of advanced systems-on-chip (SoC) solutions. These SoCs enable ultra-low-power, AI-driven processing for smart devices, IoT applications, and 3D content transformation. With its industry-leading technology, EMASS will enhance Nanoveu's portfolio, empowering a wide range of industries with efficient, scalable AI capabilities, further positioning Nanoveu as a key player in the rapidly growing 3D content, AI and edge computing markets.

Forward Looking Statements

This announcement contains 'forward-looking information' that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'potential', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance, or achievements to be materially different from those expressed or implied by such forward looking information.