

ASX RELEASE

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ASX: NVU

Major South Korean Distribution Agreement Executed for EyeFly3D™

Nanoveu Limited (**Nanoveu** or the **Company**) (**ASX: NVU**), a company specialising in innovative films and coatings, advises that it has signed a binding Heads of Agreement (**HOA**) with South Korean company, Rahum Nanotech Co. Ltd (**Rahum Nanotech**) superseding the non-binding memorandum of understanding signed in November 2023¹.

Highlights

- Nanoveu signs HOA with Rahum Nanotech replacing non-binding MOU for exclusive distribution rights for Nanoveu's EyeFly3D™ in South Korea
- Minimum orders totalling USD\$19.725 million (approx. AUD\$29.637 million) by 31 December 2026 required to maintain exclusivity
- Initial cash deposit of USD\$70,000 (approx. AUD\$105,175) has been received from an initial order of USD\$372,000 (approx. AUD\$558,930), including app development reimbursement
- 28,000 EyeFly3D™ screens to be supplied for Android and Apple iPhones from initial order

Nanoveu's EyeFly3D™ is a proprietary film and software combination that allows users to experience 3D without the need for glasses on everyday mobile handheld devices and other digital displays.²

The products to be sold under the HOA include Nanoveu's Glasses Free 3D hardware films for tablets, phones and large digital displays as well as a range of 3D companion applications and related peripherals (**Products**).

Nanoveu has granted Rahum Nanotech exclusive distribution rights in South Korea for Nanoveu's EyeFly3D™ Products, for an initial exclusive period up to 31 December 2026, subject to Rahum Nanotech meeting minimum purchase order targets as outlined below.



Figure 1: Nanoveu's Eyefly3d Films enable glasses-free 3D viewing on phones, tablets and large format displays

¹ ASX Announcement 6 November 2023.

² <https://wcsecure.weblink.com.au/pdf/NVU/02656570.pdf> (refer to page 19).

The initial orders received will be supplied by Nanoveu directly, with future orders to be met through Nanoveu's recently announced joint venture with its manufacturing partner Shenzhen Fullsand Printing & Packaging Co. Ltd (**Joint Venture**). Nanoveu intends to supply products to Rahum Nanotech from commencement of the quarter ending 30 September 2024 through the Joint Venture, meaning that profits from those future orders under the distribution will be shared through the Joint Venture, with 51% of profits to be received by Nanoveu under the terms of the Joint Venture.³ Once established, the Joint Venture will have access to transfer pricing of 'cost plus 8%' from its manufacturer, Fullsand, which is expected to significantly increase the profitability from all future Eyefly3d™ sales.

The Company has received initial purchase orders for USD\$372,000 (approx. AUD\$558,930) worth of Products (to be supplied by Nanoveu direct – 100% profits accruing to Nanoveu) for the period up to the end of the current calendar quarter (including app development reimbursement). An initial deposit of USD\$70,000 (approx. AUD\$105,175) has been received by the Company and the remaining USD\$302,000 (approx. AUD\$453,755) is payable by 28 June 2024.



Figure 2: Meeting between Nanoveu & Rahum in Seoul, Korea

As noted above, in addition to the orders for the June 2024 quarter referred to above, Rahum Nanotech must meet minimum purchase requirements in order to maintain exclusivity. The minimum purchase for the year ending 31 December 2024 totals USD\$1,050,000 (approx. AUD\$1,577,625), with:

- a further USD\$180,000 (approx. AUD\$270,450) of orders targeted for the quarter ending 30 September 2024; and
- a further USD\$870,000 (approx. AUD\$1,307,175) of orders targeted for the quarter ending 31 December 2024.

The minimum purchase requirements for the years ending 31 December 2025 and 31 December 2026 totals USD\$18,303,300 (approx. AUD\$27,500,708), with:

- a further USD\$7,053,300 (approx. AUD\$10,597,583) of orders targeted for the calendar year ending 31 December 2025; and
- a further USD\$11,250,000 (approx. AUD\$16,903,125) of orders targeted for the calendar year ending 31 December 2026.

Subject to Rahum Nanotech meeting the minimum purchase requirements, the parties may mutually agree to extend the exclusivity.

³ Refer to ASX Announcement titled "Profit-Share Joint Venture for 3D imaging & mobile apps" dated 24 May 2024 for further details of the Joint Venture.

The future minimum purchase order targets (for the September 2024 quarter onwards) represent the minimum amounts required for Rahum Nanotech to maintain exclusive distribution rights – these targets do not guarantee future product sales.

Commenting on the HOA, Mr Alfred Chong, Managing Director and CEO of Nanoveu said,

"Following signing the non-binding MOU in November last year, Nanoveu and Rahum Nanotech have progressed significantly in software development and evaluation of the South Korean market potential for Nanoveu's EyeFly3D™ products. This progress has led to the execution of the HOA, and receipt of purchase orders for an initial 28,000 EyeFly3D™ screens.

The HOA includes targeted future minimum purchase orders for many more EyeFly3D™ screens, which will be suitable for a wide range of Android and Apple iPhones, with screens for tablets also being developed."

Mr Lee Myeong Hoon, President of Rahum Nanotech Co. Ltd said,

"Through rigorous exploration of the glasses-free 3D market alongside our dedicated technical team and esteemed partners at the Convergence Technology Institute of Pohang University of Science and Technology, South Korea, we've chosen the EyeFly3D™ technology for its unparalleled clarity and breathtaking immersive experience. With the vast potential we foresee in South Korea and the promising opportunities we've uncovered, we stand firm in our confidence to not only meet but surpass our targets ahead."

About Rahum Nanotech

Rahum Nanotech Co., Ltd. was established in July 2018 as a manufacturing company that develops and produces media art and AR Headsets. It has developed transparent LED digital signage (modular) and dual digital displays. Rahum Nanotech launched its small media art suitable for office personal desks, indoor tables and shelves in September 2022, while providing CMS in a cloud environment.

Rahum Nanotech has now moved into 3D technologies, working with the Convergence Technology Institute of Pohang University of Science and Technology, South Korea.

About Nanoveu's EyeFly3D™

EyeFly3D™ technology is based on taking a regular plastic film and engineering approximately half a million uniform-sized mini lenses onto its surface, turning the plastic into an add-on screen protector that produces unprecedented, distortion-free, brilliant 3D content on mobile devices. Unlike some thicker glasses-free 3D filters, this award-winning technology does not affect the touchscreen sensitivity, brightness and resolution of the smartphones. At a mere thickness of 0.1mm, EyeFly3D™ is the first glasses-free 3D accessory that can display content in both portrait and landscape mode, doing away with the need for cumbersome 3D glasses and power-draining and costly built-in 3D screens.

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 innovative 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>.

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 a number of surfaces such as door handles 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.

Nanoshield™ Marine prevents the accumulation and growth of aquatic organisms such as algae, barnacles, and mussels on the hulls of ships, boats and other structures that are submerged in water.

Nanoshield™ Solar is designed to solve a major issue for solar panels, being reduction of power output from panel surface debris.

EyeFly3D™ - is a film applied to digital displays that allows 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 the 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.

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.