

30 April 2018

EVE INVESTMENTS QUARTERLY UPDATE FOR THE PERIOD ENDING 31 MARCH

Highlights

Omni Innovation

- Through its distribution partner Eagle Health Holdings (ASX:EHH), four diabetes Education and Experience stores were successfully opened throughout Xiamen, China, to promote Omni Innovation's Pre-Meal Drink for Type 2 Diabetes.
- These stores have been successful in marketing the Omni Innovation Pre-Meal Drink and have attracted an average of 280 visitors per day.
- Over 200,000 information leaflets distributed and diabetes counselling provided to over 3,600 people across Xiamen.

Meluka Health

- Through its U.S. distribution partner, Naturally Australian Products, Meluka Honey launched its consumer products at the Natural Products Expo West.
- The expo attracted over 80,000 attendees to the 2017 event and markets itself as the world's largest natural, organic and healthy products event.
- Meluka Honey has completed a soft Australian launch of its ecommerce platform to target direct to consumer sales of its honey products.

EVE Investments (ASX:EVE) as ASX listed technology investment company, has today released its Appendix 4C report for the three month period to March 31st, 2018 and is pleased to provide a review of its progress this quarter.

Omni Innovation

Omni Innovation, a medical technology company focused on medical nutrition in which EVE Investments has a 38% interest, has an agreement and license in place with Eagle Health Holdings ("Eagle Health") (ASX:EHH) for the manufacture and distribution of its pre-meal drink for people with Type 2 Diabetes and pre-diabetes.

In December of 2017, Eagle Health announced that it began shipping and marketing the pre-meal drink product in Xiamen, China, and successfully opened four diabetes education and experience stores to engage directly with consumers. These stores received an average of 280 visitors per day and in addition to providing support to people with diabetes, proved positive in marketing the Omni Innovation pre-meal drink branded in China under the name Hutang-1.

With Xiamen becoming the 9th city in China to launch the Change Diabetes Program, Eagle Health's efforts provide additional support and synergies with the program. With 114.4 Million people with diabetes across China and this number projected to grow to 149.7 Million by 2045, the China market holds huge potential for Eagle Health and EVE Investments alike.

Following comprehensive on the ground sales and marketing, Chinese New Year saw the annual Eagle Health awards recognised their early success in the battle against diabetes in China with management, staff and dignitaries attending the event. The board of EVE Investments looks forward to updating the market on Omni Innovation in the June quarter of 2018.

For more information on Omni Innovation, please refer to their website www.omniinnovation.com.au

Meluka Health

Late in 2017, EVE completed its 50% investment into Meluka Health. Meluka Health holds 100% of Meluka Honey and essential oil producer Eco Botanicals. Additionally, it holds options to acquire key assets such as the Jendale and Robydale tea tree plantations and U.S. distribution business, Naturally Australian Products (NAP).

During the March Quarter through its distribution partner, NAP, Meluka Health's subsidiary Meluka Honey launched its consumer targeted products portfolio at the Natural Products Expo West in Anaheim, California on March 9-11th. The products included Meluka Australian Native Raw Honey, Meluka Hemp Seed Honey, Meluka Native Medical Tea Tree Honey and its Hon-E-Vite active serum. Attracting over 80,000 people to the attendees to the 2017 event, it provided an excellent platform for Meluka Honey to raise awareness towards its consumer product suite.



Figure 1: Meluka Product Range

Subsequent to the quarter end, Meluka Honey had a soft launch of its e-commerce platform for the Australian market. Direct marketing of this platform in Australia is expected to commence in mid-May.

For more information on Meluka Health, please refer to their website www.melukahoney.com

Corporate

Change to Board Roles

During the quarter, EVE Investments announced the appointment of George Cameron-Dow as Non-Executive Chairman. Former Non-Executive Chairman Alasdair Cooke resigned from the role and continues to serve the Company as a Non-Executive Director.

Mr Cameron-Dow bring substantial experience to the EVE Investments board in the healthcare and medical sectors. He holds a Master of Management from Wits University and attended the Stanford Executive Program at Stanford University, USA in 1998. He is a fellow of the Australian Institute of Management and fellow of the Australian Institute of Company Directors. He is also founder Fleming Funds Management and Investment advisory group, Fleming Capital Pty Ltd.

Capital Raise

During the quarter, EVE Investments completed a \$3.5m capital raise through the placement facility approved by shareholders at the Annual General Meeting held on the 22nd of November 2017. Led by Red Leaf Securities the capital raise was oversubscribed.

Rights Issue

In February, the Company conducted a rights issue with 5,463,941 being taken up by shareholders. A further, 23,078,500 shares were allotted under the shortfall offer. The Directors continue to reserve the right to place the balance of the shortfall within 3 months of the closing date of the rights issue.

For More Information

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EVE Investments

EVE Investment is an Australian Securities Exchange Listed Investment Company that invests in technology companies. With a preference for companies that have global scale, EVE is an investment partner that wants to help build ground breaking and enduring technology.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

EVE INVESTMENTS LTD

ABN

89 106 523 611

Quarter ended ("current quarter")

31 Mar 18

Consolidated statement of cash flows

1.	Cash flows from operating activities
1.1	Receipts from customers
1.2	Payments for:
	(a) research and development
	(b) product manufacturing and operating costs
	(c) advertising and marketing
	(d) leased assets
	(e) staff costs
	(f) administration and corporate costs
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
1.8	Other (provide details if material)
1.9	Net cash from / (used in) operating activities
2.	Cash flows from investing activities
2.1	Payments to acquire:
	(a) property, plant and equipment
	(b) businesses (see item 10)
	(c) investments
	(d) intellectual property
	(e) other non-current assets
2.2	Proceeds from disposal of:
	(a) property, plant and equipment
	(b) businesses (see item 10)
	(c) investments
	(d) intellectual property
	(e) 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

Current quarter \$'000	Year to date (9 months) \$'000
-	-
-	-
-	-
(10)	(29)
-	-
(96)	(219)
(102)	(269)
-	-
4	4
-	-
-	-
-	-
-	-
(203)	(513)
-	-
-	-
-	-
-	(640)
-	-
-	-
-	-
-	-
-	-
-	-
(200)	(200)
-	-
-	-
(200)	(840)

3. **Cash flows from financing activities**
- 3.1 Proceeds from issues of shares
- 3.2 Proceeds from issue of convertible notes
- 3.3 Proceeds from exercise of share options
- 3.4 Transaction costs related to issues of shares, convertible notes or options
- 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**

	Current quarter \$'000	Year to date (9 months) \$'000
3.1	3,881	4,776
3.2	-	-
3.3	55	1,066
3.4	(308)	(399)
3.5	-	-
3.6	-	-
3.7	-	-
3.8	-	-
3.9	-	-
3.10	3,629	5,443
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1	1,124	260
4.2	(203)	(513)
4.3	(200)	(840)
4.4	3,629	5,443
4.5	-	-
4.6	4,351	4,351

4. **Net increase / (decrease) in cash and cash equivalents for the period**
- 4.1 Cash and cash equivalents at beginning of quarter/year to date
- 4.2 Net cash from / (used in) operating activities (item 1.9 above)
- 4.3 Net cash from / (used in) investing activities (item 2.6 above)
- 4.4 Net cash from / (used in) financing activities (item 3.10 above)
- 4.5 Effect of movement in exchange rates on cash held
- 4.6 **Cash and cash equivalents at end of quarter**

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
- 5.1 Bank balances
- 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)**

	Current quarter \$'000	Previous quarter \$'000
5.1	3,501	624
5.2	850	500
5.3	-	-
5.4	-	-
5.5	4,351	1,124

6. **Payments to directors of the entity and their associates**

Current quarter \$'000
8
-

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Director fees

7. **Payments to related entities of the entity and their associates**

Current quarter \$'000
49
-

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Serviced office and administration staff

8. **Financing facilities available**
Add notes as necessary for an understanding of the position

	Total facility amount at quarter end \$'000	Amount drawn at quarter end \$'000
8.1	-	-
8.2	-	-
8.3	-	-

- 8.1 Loan facilities
- 8.2 Credit standby arrangements
- 8.3 Other (please specify)
- 8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

9. **Estimated cash outflows for next quarter**
- 9.1 Research and development
- 9.2 Product manufacturing and operating costs
- 9.3 Advertising and marketing
- 9.4 Leased assets
- 9.5 Staff costs
- 9.6 Administration and corporate costs
- 9.7 Other (provide details if material)
- 9.8 **Total estimated cash outflows**

	\$'000
	-
	-
	5
	-
	175
	160
	-
	340

10. **Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)**
- 10.1 Name of entity
- 10.2 Place of incorporation or registration
- 10.3 Consideration for acquisition or disposal
- 10.4 Total net assets
- 10.5 Nature of business

	Acquisitions	Disposals
	-	-
	-	-
	-	-
	-	-
	-	-

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.



Steven Jackson
Company Secretary

30 April 2018

Notes

- The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
- If this quarterly 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 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.
- 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.