

14 January 2025

ANO Business Update

FY25 Unaudited Results

The first half FY25 profit before tax will be comparable to the first half FY24 profit before tax, based on the unaudited management accounts. Revenue first half FY25 is \$5,513,153, compared to revenue of \$5,626,248 for first half FY24.

As previously announced, USA revenues of \$3,127,293 for first half FY25 are greater than the total of FY24 sales of \$2,539,000. We are working on adding a further distributor in North America.

As announced at the October 2024 AGM, we have identified a new approach to growing the number of distributors and sales in Europe. This initiative will commence in January 2025 and involves offering a number of exclusive product specific distributorships.

The Board is confident that despite adverse economic conditions in Europe, Japan and Korea sales revenue will continue to grow.

Perth

Factory and warehouses are no longer operational. The cost of redundancies and relocating stock and equipment have been expensed in this half with no further costs expected going forward. As a result, the Board are now anticipating cost savings to reach up to \$1 million per annum, with the full impact of these savings evident in second half FY25 and in future years.

Board Initiatives Update from AGM

North America

- Revenue in North America is up \$1,186,305 (61.1%)
- (\$3,127,293 first half FY25) (\$1,940,988 first half FY24)

Europe

- Revenue in Europe is down \$998,054 (-70.5%)
- (\$418,542 first half FY25) (\$1,416,596 first half FY24)

Sales revenue in Europe was impacted by the delay in sales of White Sapphire, with the majority of the first order expected to be shipped in January 2025. Further orders, (subject to final specification approval), are anticipated during calendar year 2025.

Asia

- Revenue in Asia is down \$159,384 (-14.0%)
- (\$981,573 first half FY25) (\$1,140,596 first half FY24)

Sales in Asia are still growing, with a timing difference affecting one order of \$280,000.

Australia

- Revenue in Australia is up \$70,663 (7.7%)
- (\$985,744 first half FY25) (\$915,081 first half FY24)

As announced at the AGM, sales of Zinc Oxide in Australia have been impacted by the availability of inferior imported Zinc Oxide products sold locally without the required TGA license or necessary GMP clearances. We hope that the TGA will introduce measures to remove these inferior imports from Australian made sunscreens.

White Sapphire Update

We are currently working on three white sapphire projects.

We are finalising the first order of our Dry Feel white sapphire for our largest customer, who is urgently airfreighting this material with further sales expected once specifications are finalised.

We are presently finalising our new Light Diffusing white sapphire, which will be significantly cheaper than our Dry Feel product. Samples should be sent to all customers in the first quarter of 2025.

We are also finalising the production of our High Purity white sapphire and have identified 13 applications and over 500 potential customers.

Authorised by:

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