31 July 2026

Quarterly Activity Report - Period ending 30 June 2026

Skin Elements Limited (ASX: SKN) (Skin Elements, the Company), an Australian developer of all-natural antimicrobial biotechnology, is pleased to provide its Quarterly Activity Report for the quarter ended 30 June 2026.

Quarterly Highlights

- **Farmlands Distribution Agreement (Post Quarter)**

  Skin Elements has entered into an exclusive distribution agreement with New Zealand's leading rural co-operative, Farmlands Co-Operative Society to market, sell, supply and distribute ECO-Nurture, Skin Elements horticultural plant bio-stimulant technology that is an effective alternative to chemical-based agricultural sprays currently used in crop protection globally, including an initial order for 4,000 litres.

- **Capital funding secured $1.47 million**

  During the quarter the Company successfully raised $570,000 (before costs) from the exercise of unlisted options and subsequent to the Quarter end, completed a $900,000 (before costs) placement to new sophisticated and professional investors.

- **Board Renewal**

  Following requisitions under section 249D of the Corporations Act, shareholders approved a renewal of the Board at two Extraordinary General Meetings held in June 2026. Following shareholder approval, Frank Knezovic, Gorakanage Ishan Malinda Peries and Harry Spindler were appointed as non-executive directors. Additionally, Dr Peter Malone, Mr Filippo (Phil) Giglia were removed by shareholders as directors, and subsequently Mr Stuart Usher, Mr Robin Armstrong and Mr Brett Fraser resigned as directors prior to the second shareholder meeting.

Commenting on the quarter, Skin Elements Executive Chairman Mr Rod Nicholas said;

"Skin Elements has focused on advancing our key commercialisation and regulatory pathways during the quarter. Securing the distribution agreement with Farmlands for the ECO-Nurture agricultural bio-stimulant represents an important step in establishing our commercial distribution footprint as we work towards executing our broader growth plan."

Farmlands Distribution Agreement

Following from a multistage trial and evaluation of ECO-Nurture over the past four growing seasons in the New Zealand kiwifruit industry, Skin Elements has secured an exclusive distribution agreement with New Zealand's leading rural co-operative Farmlands Co-Operative Society Limited

(Farmlands) for the sale and distribution of the Company's ECO-Nurture horticulture bio-stimulant product to New Zealand.

ECO-Nurture is a horticultural plant bio-stimulant technology that has demonstrated in independent laboratory and field trials to be an effective alternative to chemical-based agricultural sprays currently used in crop protection globally. ECO-Nurture helps support the overall health of the plant by naturally improving the plant's tolerance to stress using only environmentally friendly, biodegradable plant-based ingredients which support the crop and the surrounding environment.

Skin Elements and Farmlands have an initial focus on the $5 billion kiwifruit industry where the pseudomonas syringae pv actonidiae (PSA) bacteria has caused major economic damage.

The agreement with Farmlands provides for an initial order of 4,000 litres of ECO-Nurture for NZ$600,000 (plus NZ GST) for resale and distribution in New Zealand.

SKN is currently progressing ECO-Nurture towards New Zealand government approval under the Agricultural Compounds and Veterinary Medicines Act 1997 (NZ) (ACVM). Once ACVM is obtained, SKN and Farmlands intend to enter into a National Sales Agreement for exclusive ongoing sales and distribution of ECO-Nurture by Farmlands on a broader scale in New Zealand.

Placement Completed in July 2026 raises $900,000

On 26 June 2026, SKN announced that it had received firm commitments to raise $900,000 (before costs) through a placement of fully paid shares to sophisticated and professional investors, with SKN confirming on 20 July 2026 that it had finalised the placement of 300,000,000 fully paid ordinary shares at an issue price of $0.003 per share under the Company's existing ASX LR7.1 placement capacity.

Options Exercised for $570,000 cash

On 4 June 2026, SKN advised that it had issued 95,000,000 ordinary fully paid shares pursuant to the exercise of 95,000,000 unlisted options at an exercise price of $0.006 per share raising $570,000 in cash.

Research & Development Rebate and Radium Facility Underpins Development Costs

The Company's innovative research and development programmes for its natural SE Formula™ Biotechnology makes it eligible for the Federal Government's R&D Rebate applicable to qualifying R&D expenditure.

During the quarter the Company has assessed qualifying R&D expenditure and received an interim advance of $288,000 from Radium Capital.

Board and Governance

During the quarter the Company received a number of notices under section 249D of the Corporations Act 2001, requisitioning general meetings to change the composition of the Board.

Two Extraordinary General Meetings were held during the quarter, on 2 June 2026 and 23 June 2026, at which shareholders removed Dr Peter Malone and Mr Filippo (Phil) Giglia as directors, appointed Frank Knezovic, Gorakanage Ishan Malinda Peries and Harry Michael Spindler as directors and ratified the continued appointment of Mr Rod Nicholas and Mr Joshua Gordon as directors. Additionally, Mr Stuart Usher, Mr Robin Armstrong and Mr Brett Fraser resigned as directors prior to the second shareholder meeting.

Separately, the Takeovers Panel matter submitted by the prior board (announced 26 May 2026) was resolved on 2 June 2026, with the Panel declining to conduct proceedings.

Summary of Operating Cashflows

The Company's progression of its development program is reflected in the operating cashflows for the quarter, and customer receipts of $6k from test marketing. Operational cash outflows included $342k invested in product manufacturing, staff, research & development, and $240k for marketing, premises, and administration. Additional legal costs of $182k and corporate costs of $48k relating to s249D notices and two extraordinary shareholders meetings were incurred during the quarter in additional to $68k of ordinary corporate costs. Included in the above is $111k paid in the quarter to Directors for service fees. Net cash outflows from operating activities for the quarter were $874k.

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

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For further information please contact

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About Skin Elements

Skin Elements (ASX: SKN) is an Australian-owned and operated ASX-listed natural biotechnology company focused on the development of its SE Formula™ Biotechnology. Skin Elements leading innovative approach to research and development of plant-based and organic sourced ingredients has enabled the creation of a portfolio of all-natural plant-based formulations that have global applications. Its flagship formulations have delivered products that include the SuprCuvr, listed on the ARTG, hospital-grade plant-based disinfectant, ECO-Nurture plant bio-stimulant, Soléo Organics natural and organic sunscreen, PapayaActivs natural therapeutics skincare products and the Elizabeth Jane Natural Cosmetics brand.

Further information is available via the Company website: http://skinelementslimited.com and on the Company online store: www.sknlife.com.au.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

SKIN ELEMENTS LIMITED (ASX:SKN)

ABN	Quarter ended (**Current quarter**)
90 608 047 794	**30 June 2026**

	Consolidated statement of cash flows	Current Quarter $A'000	Year to date (12 Months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	6	240
1.2	Payments for:	-	-
	(a) research and development	(236)	(976)
	(b) product manufacturing and operating costs	(2)	(84)
	(c) advertising and marketing	(6)	(49)
	(d) leased assets	(18)	(85)
	(e) staff costs	(104)	(456)
	(f) administration costs	(216)	(442)
	(g) corporate costs	(298)	(568)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	(47)
1.6	Income taxes (paid) / refunded	-	-
1.7	Government grants and tax incentives	-	610
1.8	Other: Repayment of historical advanced R&D costs previously recognised	-	(756)
1.9	**Net cash from / (used in) operating activities**	(874)	(2,613)
2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
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**	-	-

Consolidated statement of cash flows	Current Quarter $A'000	Year to date (12 Months) $A'000
3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	2,500
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	570	1,320
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(49)	(268)
3.5 Proceeds from borrowings	288	288
3.6 Repayment of borrowings	-	(433)
3.7 Transaction costs related to loans and borrowings	-	(14)
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 **Net cash from / (used in) financing activities**	809	3,393
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	905	60
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(874)	(2,613)
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)	809	3,393
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 **Cash and cash equivalents at end of period**	840	840

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	840	905
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)	840	905

6. Payments to related parties of the entity and their associates	Current quarter $A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	111
6.2 Aggregate amount of payments to related parties and their associates included in item 2	Nil

Note: if any amounts are shown in items 6.1 and 6.2 your quarterly activity report must include a description of, and an explanation for, such payments

During the quarter $111k was paid to Directors for services in accordance with service agreements as set out in the Remuneration Report contained in the Annual Report

		Total facility amount at quarter end $A'000	Amount drawn at quarter end $A'000
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): R&D Rebate Advance Facility	288	288
7.4	**Total financing facilities**	288	288

7.5	**Unused financing facilities available at quarter end**	0

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.

- ***R&D Rebate Advance Facility Terms and conditions:***

Terms	Up to 31 December 2026.
Total facility	$288K based on eligible R&D spend.
Drawdown	As at 31 July, this has been fully drawn down.
Security	The facility is secured against the R&D Tax Rebate based on eligible R&D spend. The facility and interest is repaid on receipt of the R&D Rebate.
Interest Rate	15% p.a. pro rata.

		$A'000
8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	**Net cash from / (used in) operating activities** (Item 1.9)	(874)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	840
8.3	Unused finance facilities available at quarter end (Item 7.5)	0
8.4	Total available funding (Item 8.2 + Item 8.3)	840
8.5	**Estimated quarters of funding available** (Item 8.4 divided by Item 8.1)	0.95

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

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:

   During the quarter, SKN incurred legal costs of $182k and corporate costs of $48k in relation to S249D notices and holding two Extraordinary General Meetings of shareholders which the entity does not expect to incur in near future.

   In addition, SKN announced to the market in July 2026 that it has entered into a Distribution Agreement with Farmlands New Zealand providing for an initial order valued at NZ$600,000 of ECO Nurture for sale and distribution by Farmlands in New Zealand.

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:

   In July 2026, SKN completed a placement raising an additional $900,000 cash (before costs) through a placement of fully paid ordinary shares to sophisticated and professional investors

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:

   As set out above, SKN will have reduced corporate costs and increased sales receipts from Farmlands together with existing cash reserves and additional cash from the July equity placement, SKN expects to be able to continue operations and meet its business objectives.

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

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.

Date: Friday, 31 July 2026

Authorised by: The Board of Directors
(By the Board of Directors – 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 – e.g. 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.