

7 January 2019

ANO Half Year Result 105% Increase from Prior Corresponding Period

ANO has achieved a net profit after tax of \$1.25 million, (up 105% from \$607,000 for corresponding period last year), based on unaudited management accounts for the first half FY19. The result does not include the R&D benefit or any potential audit adjustments for foreign exchange with further income tax benefits to be brought in at the end of FY19 above the FY18 levels of \$1.5 million. This is subject to no major mechanical equipment breakdown and no delays with our raw material supply partners and any other unforeseen circumstances.

We have witnessed significant growth in the sales of XP Powder, particularly in the USA, with one customer ordering six times (up 500%) more than volume of orders from the prior year.

Based on all current sales forecasts from our distributors and customers from January to March, the Board of ANO believes the growth in the second half will be in line with prior periods.

The staff and the management, despite numerous obstacles, have delivered a 300% increase in maximum capacity not counting, upcoming installation of new ovens and automated production lines in Brisbane.

The Board would like to also commend our production staff and management for achieving this amazing result despite 3 weeks production loss due to transfer of equipment to combine smaller facility in Perth. The result is particularly pleasing as the first half trading is normally slower due to the seasonal nature of our sales, with 75% of our sales derived from Northern Hemisphere distributors during their spring.

Lev Mizikovsky
Chairman