



11 May 2020

Profit FY20 Expected Up 2.5 Times

Profit Update

We anticipate that the net profit before tax for FY20 will be approximately \$8.4 million, 2.5 times greater than the FY19 profit before tax. This is on anticipated turnover of \$18 million up 46% on FY19, subject to no further adverse market conditions or delays in any further sales orders, as previously announced on 26 March 2020.

We have communication from our distributor in the US which suggests sunscreen manufacturing has recommenced and, although at smaller volumes, we anticipate sales volumes to return to normal, at this stage in the US. We have established stockpiles in a central US logistics facility in order to take advantage of the expected upturn in market conditions.

Expected extension to the aluminium oxide agreement to 2025, based on the agreed 2019 Term Sheet

Due to the changes to the existing contractual arrangements, the Board is now able to expand our aluminium oxide business into new markets and improve supply to our existing key customer by raising capacity, improving quality and making stock available at an EU based contract logistics facility. These developments should also allow ANO to maintain pricing into the foreseeable future or possibly offer volume rebates where needed. The positive impact on sales from these changes cannot be determined for some months. Sales for FY20 for the aluminium oxide product is expected to be \$2 million.

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