



1 February 2021

## Company Update

The ANO Board are pleased to announce today that it has recorded a half year result profit before tax of \$90,000 subject to audit review clearance.

As previously announced, ANO has been severely impacted by the travel restrictions and lockdowns caused by COVID-19.

### Good News

#### Commercial Debt Free

Despite the poor result, ANO is commercially debt free and has achieved the following over the past 6 months:

- Successfully installed a complete new dispersion line with a maximum capacity to produce bulk intermediate and other dispersions to the equivalent of 250,000,000 100 gram tubes annually, fully funded out of current cashflow.
- Successfully installed equipment to increase zinc oxide production up to 5,000T per annum, again fully funded out of current cashflow.
- New product development, which is detailed separately below, fully funded out of current cashflow.

#### January Profit Results and Sales Orders

- ANO is already witnessing a significant increase in sales orders and the unaudited profit result before tax for the month of January 2021 is \$540,000.

#### Product Development

ANO has successfully developed 15 new bulk intermediate products, vegan and/or organic based, including an all natural insect repellent. Once our TGA licence is obtained, ANO will begin full scale production of the products. Samples are being prepared for our distributors and ANO anticipates sales of these products to impact our results in FY22.

In addition, we are working on a premium range of dispersions based on our current dispersions and we expect these to be available to distributors and customers in FY22.

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## **NASDAQ**

Progress is continuing on the NASDAQ listing with the following milestones achieved since the AGM.

- Due diligence of ANO key agreements completed by the Australian lawyers
- Engagement of US lawyers will be finalised this week.
- The draft documentation to be provided to all shareholders later this year is 30% complete.

## **Bad News – COVID-19**

ANO sales continue to be impacted by travel restrictions and continual lockdowns caused by COVID-19. Data available to us shows that sales of sunscreen initially reduced by 20% in March 2020, at the start of COVID-19, and we see this initial data as an indicator of how significantly overall sales of sunscreens have been reduced by the current situation.

## **Forward View**

The Board would like to point out that most of the achievements listed under the Good News heading are likely to produce positive results for many years to come, on the other hand, the Bad News, COVID-19 issues are likely to be resolved over the next two years.

The Board would like to thank all staff for their dedication and commitment to ANO. In particular I thank the team that has established the production facility in Brisbane and continuing the strong positive culture of the business, the manufacturing workers in Brisbane and Perth who have continued to work tirelessly to ensure we have product to sell, the lab staff who develop new products and test products to ensure we ensure quality, the staff in the office processing all the paperwork and last but not least the staff involved with getting prepared for the upcoming TGA audit.

Authorised by:  
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