



7 February 2022

### **\$1.9 million Unaudited First Half Pre-tax Profit Result**

An agreement has been signed today that effective December 31, 2021 ANO transfers IP, trademarks and all of its product development work pertaining to new organic/vegan end formulations (sunscreens only) to Veganic SKN Limited. The significant benefits of this transaction for ANO shareholders are:

- A consideration of a total of \$1.395 million disposing of \$563,669 of assets as a one off cash injection.
- A one off profit effect of approximately \$800,000 to ANO's profit and loss for the 6 months ended December 31, 2021.
- A 10 year exclusive supply arrangement with Veganic SKN, where they will use our ZinClear XP and zinc based dispersions including the new organic/vegan dispersions in all of their products. There are no fixed prices or volumes and these will be determined on an order by order basis.

Based on unaudited results, the profit before tax for the first half FY22 will be approximately \$1.9 million including the one off transaction. We note that Lev Mizikovsky and his associated entities are major shareholders of ANO and Astivita Limited. Astivita Limited is currently the shareholder of Veganic SKN Limited. Notwithstanding the related party aspect of the transaction, it does not require member approval under listing rule 10.1 because the assets being sold are not a substantial asset of ANO.

Authorised by:

Geoff Acton (B.Com CA)

Managing Director