



3 February 2020

Current Profit Update

As previously announced ANO has recorded a net profit before tax of \$4.81 million for the half year ended 31 December 2019, which is nearly three times greater than the same corresponding half year prior.

XP powder sales are 4.6 times greater than the same corresponding 6 months. Current sales are strong with profit before tax of \$1.3 million for the month of January 2020, based on unaudited management accounts, including a contribution from Alusion with a 20ft container shipment, which finally catches up on the backlog of Alusion sales orders.

ANO Product Development

ANO has sent 10 new sample powder products to leading OEM manufacturers for testing in the US and are now exploring opportunities with the world's largest sunscreen brands who are also currently testing the new samples of our powder products.

In addition, we have 7 new recipes, based on our XP powder, developed by the ANO global chemist network that will be offered to our distributor network to be licenced to OEM manufacturers and brand owners, including moisturising creams and foundations.

Production Diversification

ANO is in the early stages of a feasibility study to leverage the capture of its CO² emissions from its zinc oxide production equipment and convert the CO² into oxygen through the growth in hydroponics, on site at Shettleston Street Rocklea. We are witnessing a reduction in our energy consumption with the installation of our solar panels completed in December 2019. We will look to utilise this solar energy and battery storage as part of our hydroponics feasibility study.

Geoff Acton (B.Com CA)

Managing Director