

12 December 2022

Sales Momentum Likely to Continue into FY24

As previously announced in the Chairman's/Managing Director's address on 2/11/22, sales orders continue to improve with total sales orders to the end of November 2022 closely matching our total sales revenue for the entire FY22 year of \$12.5m. The Board can now also confirm that sales revenue for the 5 months to November 2022 was up 14.8% (\$830k), based on unaudited management accounts, on the entire first half FY22 of \$5.6m.

In addition, the net profit before tax for the 5 months to November 2022 is similar to the first half FY22 of \$1.95m, which included a one-off profit on sale of IP of \$800k. This is an indication of normalised pre-tax profit for the first half of FY22 lifting by approximately \$1m to nearly double that of first half of FY22 and reaching approximately \$ 2.1m.

The Board is optimistic that the second half FY23 and FY24 will see continuous improvement based on:

- Our ability to supply our products on time, often through our overseas warehouses, in contrast to delays and price rises suffered by many of our competitors.
- Increase in the number of solar PV panels, further minimising the impact of rising electricity costs.
- Europe, USA and India distributors growing their sales to existing customers and encouraging more customers to trial our products.
- No cancellations of orders and no requests for significant delays by distributors
- New TGA requirements restricting substandard Zinc Oxide actives from entering Australian market.

Over 100 scientific papers, highlighting the potential dangers of UV chemical filters, as well as some cases where the Australian allowable maximum percentages of these chemicals are many times in excess of the USA and the EU permitted limits, have been referred to the Federal Health Minister, the TGA Complimentary Medicines division and the QLD State Government.

The Board is also working on new distribution channels in key Asian and parts of South American markets.

Authorised by:
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Managing Director