

# **Advance ZincTek Limited**

ACN 079 845 855

## **Interim Financial Statements**

**For the Half Year Ended 31 December 2025**

# Advance ZincTek Limited

ACN 079 845 855

## Contents

### For the Half Year Ended 31 December 2025

	Page
Chairman's Letter	1
Directors' Report	2
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	4
Consolidated Statement of Profit or Loss and Other Comprehensive Income	5
Consolidated Statement of Financial Position	6
Consolidated Statement of Changes in Equity	7
Consolidated Statement of Cash Flows	8
Notes to the Financial Statements	9
Directors' Declaration	15
Independent Auditor's Review Report	16

## Advance ZincTek Limited

ACN 079 845 855

### Chairman's Letter

The first half FY26 profit pre-tax is \$1.489 million (first half FY25 \$1.215 million) 22.5% up (deferred tax asset is not fully utilised yet). Revenue first half FY26 is \$6.662 million, compared to revenue of \$5.718 million for first half FY25, up 16.5%.

#### FDA Update

We have made progress with our recent FDA issues and a further response has been provided to the FDA on Wednesday, February 26, 2026.

We have engaged USA regulatory consultants which will continue to review and monitor our operations as we now experienced the significant differences between TGA and FDA audits, none of the current issues were raised by the FDA during prior audits.

#### Marketing

We are continuing to use AI tools across all aspects of the business and a new AI agent will be implemented shortly to further improve our marketing efforts.

#### White Sapphire Matte and Glow

We now have four countries purchasing White Sapphire Matte and our total sales for our White Sapphire Matte and Glow (formerly Alusion), the volumes are small, but further improvements are expected.

#### Bulk Sunscreen

The Board has taken a decision to recommence bulk sunscreen manufacturing. No material sales impact expected in FY26.

**USA** current sales for the first half FY26 is \$3.987 million compared to first half FY25 of \$3.127 million up 27.5%.

**Australia** current sales for the first half FY26 is \$1.768 million compared to first half FY25 of \$1.190 million up 48.57%.

Ingredients such as 4MBC, currently used by Cancer Council Australia, Coles, Woolworths and Banana Boat (Australia only) are banned in Europe and were never permitted in the USA.

**Europe** current sales for the first half FY26 is \$414,000 compared to first half FY25 of \$419,000.

As a result of the Scientific Committee on Consumer Safety (SCCS) banning 4MBC in May 2025 (most common UV filter in kids sunscreen in Australia), we are seeing more enquiries for our products across Europe.

At this stage, I have formed a view that, barring some unexpected events, the current sales growth can be maintained for the balance of FY26. FY27 will be affected by changes to the current USA tariffs.



Lev Mizikovsky  
Non-executive Chairman

Dated: 27 February 2026

## Advance ZincTek Limited

ACN 079 845 855

### Directors' Report For the Half Year Ended 31 December 2025

Your directors present their report, together with interim financial report of the Group being Advance ZincTek Limited (the Company) and its controlled entities (the Group), for the half year ended 31 December 2025.

#### Directors

The names of the directors in office at any time during, or since the end of, the half year are:

<b>Names</b>	<b>Position</b>
Lev Mizikovsky	Non-executive Chairman
Rade Dudurovic	Non-executive Director / Chairperson of the Audit Committee
Geoff Acton	Managing Director

#### Company Secretaries

The following persons held the position of Company Secretary during the financial year:

- Geoff Acton (B.Com, CA, GAICD)
- Narelle Lynch ("Cert Gov Prac")

#### Principal activities

During the half year the principal continuing activities of the Group consisted predominantly of the manufacture of aluminium oxide powder (White Sapphire), zinc oxide dispersions and zinc oxide powder (collectively ZinClear) for the Personal Care Sector.

There were no significant changes in the nature of the Group's principal activities during the half financial year.

#### Operating results

Advance ZincTek Limited result for the half year ended 31 December 2025 was a net profit after tax of \$1.158 million an increase of 21.38% compared to \$954,000 for the prior corresponding period.

#### Review of financial position

The net assets of the Group are \$36.927 million as at 31 December 2025 (\$35.769 million at 30 June 2025).

## Advance ZincTek Limited

ACN 079 845 855

# Directors' Report

## For the Half Year Ended 31 December 2025

### Significant changes in state of affairs

There have been no significant changes in the state of affairs of entities in the Group during the half year.

### Dividends paid or recommended

No dividends have been paid or declared during the financial half year.

### Events after the reporting date

As per the ASX announcement on 13 February 2026, the Group paid a return of capital of \$0.02 per share on 25 February 2026.

### Future developments and results

The Group has established a solid platform to grow sales, improve margin and deliver profitability.

### Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the half year ended 31 December 2025 has been received and can be found on page 4 of the interim financial report.

Signed in accordance with a resolution of the Board of Directors:



Lev Mizikovskiy  
Non-executive Chairman

Dated: 27 February 2026

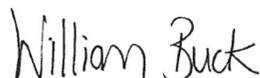
## Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

### To the directors of Advance ZincTek Limited

As lead auditor for the review of Advance ZincTek Limited for the half-year ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Advance ZincTek Limited and the entities it controlled during the period.



**William Buck (Qld)**  
ABN 21 559 713 106



**T C MARTI-WARREN**  
Partner

Brisbane, 27 February 2026

## Advance ZincTek Limited

ACN 079 845 855

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Half Year Ended 31 December 2025

		31 December 2025	31 December 2024
	Note	000's	000's
Revenue	3	6,662	5,718
Other income	3	478	632
Raw materials and consumables used		(2,654)	(2,406)
Employee benefits expense		(1,037)	(942)
Amortisation charge		(90)	-
Depreciation expense - Property, plant & equipment		(784)	(873)
Legal expense		(18)	(35)
Directors fees - Non-executive		(205)	(187)
Insurance fees		(77)	(109)
Travel costs		-	(12)
Rates & taxes		-	(8)
Corporate costs		(271)	(160)
Consulting		(140)	(67)
Patent Renewals		(8)	(29)
Electricity		(63)	(26)
IT, Computer & Internet Expenses		(88)	(93)
Other operating expenses		(216)	(188)
<b>Profit before income tax</b>		<b>1,489</b>	<b>1,215</b>
Income tax expense	4	(331)	(261)
<b>Profit from continuing operations</b>		<b>1,158</b>	<b>954</b>
<b>Profit for the half year</b>		<b>1,158</b>	<b>954</b>
<b>Other comprehensive income - net of income tax</b>			
Other comprehensive income for the year		-	-
<b>Profit attributable to:</b>			
Members of the parent entity		1,158	954
<b>Total comprehensive income attributable to:</b>			
Members of the parent entity		1,158	954
<b>Earnings per share</b>			
Basic earnings per share (cents)		1.84 cents	1.52 cents
Diluted earnings per share (cents)		1.84 cents	1.52 cents

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

## Advance ZincTek Limited

ACN 079 845 855

### Consolidated Statement of Financial Position As At 31 December 2025

	31 December 2025	30 June 2025
Note	000's	000's
<b>ASSETS</b>		
CURRENT ASSETS		
Cash and cash equivalents	602	629
Trade and other receivables	4,221	3,277
Inventories	11,686	11,887
Other assets	615	629
TOTAL CURRENT ASSETS	<u>17,124</u>	<u>16,422</u>
NON-CURRENT ASSETS		
Property, plant and equipment	11,367	11,617
Right of use assets	1,038	1,235
Deferred tax assets	5,819	5,652
Development assets	3,390	3,114
TOTAL NON-CURRENT ASSETS	<u>21,614</u>	<u>21,618</u>
TOTAL ASSETS	<u><u>38,738</u></u>	<u><u>38,040</u></u>
<b>LIABILITIES</b>		
CURRENT LIABILITIES		
Trade and other payables	399	691
Lease liabilities	428	418
Provisions	119	99
TOTAL CURRENT LIABILITIES	<u>946</u>	<u>1,208</u>
NON-CURRENT LIABILITIES		
Lease liabilities	766	983
Provisions	99	80
TOTAL NON-CURRENT LIABILITIES	<u>865</u>	<u>1,063</u>
TOTAL LIABILITIES	<u>1,811</u>	<u>2,271</u>
NET ASSETS	<u><u>36,927</u></u>	<u><u>35,769</u></u>
<b>EQUITY</b>		
Share capital	53,254	53,254
Reserves	1,519	1,519
Accumulated Losses	(17,846)	(19,004)
TOTAL EQUITY	<u><u>36,927</u></u>	<u><u>35,769</u></u>

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

## Advance ZincTek Limited

ACN 079 845 855

### Consolidated Statement of Changes in Equity

For the Half Year Ended 31 December 2025

	Ordinary Shares	Accumulated Losses	Foreign Currency Translation Reserve	Share Based Payment Reserve	Total
Note	000's	000's	000's	000's	000's
<b>Balance at 1 July 2025</b>	<b>53,254</b>	<b>(19,004)</b>	<b>16</b>	<b>1,503</b>	<b>35,769</b>
Profit / (Loss) for the half year	-	1,158	-	-	1,158
Other comprehensive income for the half year	-	-	-	-	-
<b>Total Comprehensive Income for the half year</b>	<b>53,254</b>	<b>(17,846)</b>	<b>16</b>	<b>1,503</b>	<b>36,927</b>
<b>Transactions with owners in their capacity as owners</b>					
<b>Balance at 31 December 2025</b>	<b>53,254</b>	<b>(17,846)</b>	<b>16</b>	<b>1,503</b>	<b>36,927</b>

	Ordinary Shares	Accumulated Losses	Foreign Currency Translation Reserve	Share Based Payment Reserve	Total
Note	000's	000's	000's	000's	000's
<b>Balance at 1 July 2024</b>	<b>53,103</b>	<b>(20,242)</b>	<b>16</b>	<b>1,503</b>	<b>34,380</b>
Profit / (Loss) for the half year	-	954	-	-	954
Other comprehensive income for the half year	-	-	-	-	-
<b>Total Comprehensive Income for the half year</b>	<b>53,103</b>	<b>(19,288)</b>	<b>16</b>	<b>1,503</b>	<b>35,334</b>
<b>Transactions with owners in their capacity as owners</b>					
<b>Balance at 31 December 2024</b>	<b>53,103</b>	<b>(19,288)</b>	<b>16</b>	<b>1,503</b>	<b>35,334</b>

The Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

## Advance ZincTek Limited

ACN 079 845 855

### Consolidated Statement of Cash Flows For the Half Year Ended 31 December 2025

	31 December 2025	31 December 2024
Note	000's	000's
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	5,792	5,161
Payments to suppliers and employees (including GST)	(4,907)	(4,237)
Interest received	29	-
Lease Interest Paid	(30)	(36)
Net cash provided by/(used in) operating activities	<u>884</u>	<u>888</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment	(337)	(447)
Payment for capitalised development costs	(366)	(133)
Net cash provided by/(used in) investing activities	<u>(703)</u>	<u>(580)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Repayment of borrowings	-	(320)
Repayment of lease liabilities	(208)	(248)
Net cash provided by/(used in) financing activities	<u>(208)</u>	<u>(568)</u>
Net increase/(decrease) in cash and cash equivalents held	(27)	(260)
Cash and cash equivalents at beginning of year	629	163
Cash and cash equivalents at end of the half year	8 <u>602</u>	<u>(97)</u>

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Refer Note 8 for details on the Capital Return.

## **Notes to the Financial Statements**

### **For the Half Year Ended 31 December 2025**

#### **1 Basis of Preparation**

This condensed consolidated interim financial report for the reporting period ending 31 December 2025 has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*.

The interim financial report is intended to provide users with an update on the latest annual financial statements of Advance ZincTek Limited (the Company) and controlled entities (the Group). As such it does not contain information that represents relatively insignificant changes occurring during the half year within the Group. This condensed consolidated financial report does not include all the notes normally included in an annual financial report. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2025, together with any public announcements made during the half year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The Group is an entity to which ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 applies and, accordingly amounts in the interim financial statements and Directors' Report have been rounded to the nearest thousand dollars.

The financial statements have been prepared on an accruals basis and are based on historical costs.

#### **2 Summary of Significant Accounting Policies**

##### **(a) Adoption of new and revised accounting standards**

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. These did not have a material impact on the consolidated entity.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

## Advance ZincTek Limited

ACN 079 845 855

### Notes to the Financial Statements For the Half Year Ended 31 December 2025

#### 3 Revenue and Other Income

Revenue from continuing operations

	31 December 2025 000's	31 December 2024 000's
Revenue		
- Sale of ZinClear	5,646	5,371
- Sale of White Sapphire	39	131
- Sale of Sunscreen Products	977	216
<b>Total Sales Revenue</b>	<b>6,662</b>	<b>5,718</b>
Other income		
- R&D tax incentive	497	495
- Interest	29	-
- Gain / (Loss) on exchange differences	(107)	100
- Other income	50	37
- Gain on disposal of IP & PPE	9	-
<b>Total Other Income</b>	<b>478</b>	<b>632</b>

#### 4 Income Tax Expense

The tax expense of \$330,730 relates to the movement in deferred taxation for the half year ended 31 December 2025 is not payable in cash due to the utilisation of prior year tax losses.

#### 5 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2025 (30 June 2025:None).

## Notes to the Financial Statements

### For the Half Year Ended 31 December 2025

#### 6 Operating Segments

##### Segment information

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (Chief Operating Decision Maker) in assessing performance and determining the allocation of resources.

The Board considers the business from a market perspective and has identified one reportable segment, the Personal Care segment, which produces and distributes dispersions of mineral-only UV filters in cosmetic formulation used for sunscreen, skincare and pharmaceutical formulations, as well as alumina plate-like powder used for cosmetic applications.

##### (a) Revenue by geographical region

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers.

	<b>31 December 2025 000's</b>	<b>31 December 2024 000's</b>
Australia	1,768	1,190
United States of America and Canada	3,987	3,127
Europe	414	419
Rest of the world	493	982
<b>Total</b>	<b>6,662</b>	<b>5,718</b>

#### 7 Related Parties

Amounts receivable from related parties for the sales and purchase of goods and services are unsecured and interest free and are included in the balances of trade and other receivables. Balances are settled within normal trading terms or as per agreement with the Board. No provisions for expected credit losses have been recognised on these outstanding balances, nor have any impairment losses expenses been incurred.

##### (a) The Group's main related parties are as follows:

##### (i) Key management personnel:

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity are considered key management personal.

Tamawood Limited, SenterpriSys Limited and Veganic SKN Limited are deemed to be related party by virtue of Mr Lev Mizikovsky, Non-executive Chairman having a controlling interest in these Companies.

Transaction with KMP and their related parties, excluding remuneration are shown below (b).

## Advance ZincTek Limited

ACN 079 845 855

### Notes to the Financial Statements For the Half Year Ended 31 December 2025

#### 7 Related Parties (Cont'd)

##### (b) Transactions with related parties

##### (i) Sales of Goods and Services

	31 December 2025	31 December 2024
	\$	\$
<i>Key management personnel:</i>		
<b>Lev Mizikovsky</b>		
- Expenditure on-charged at cost to entities associated with Lev Mizikovsky	<b>138,507</b>	183,573
<i>Related parties:</i>		
<b>Tamawood Group</b>		
- Administration, expenditure on charged at cost and accounting services	<b>137,682</b>	134,811
<b>SenterpriSys Limited</b>		
- Expenditure on-charged at cost	<b>5,050</b>	16,472
<b>Veganic SKN Limited</b>		
- Sale of sunscreen products and related services	<b>1,013,775</b>	455,705
- Rent	<b>56,100</b>	51,000
- Administration, office on charged at cost	<b>279,285</b>	76,279

## Advance ZincTek Limited

ACN 079 845 855

### Notes to the Financial Statements For the Half Year Ended 31 December 2025

#### 7 Related Parties (Cont'd)

##### (b) Transactions with related parties (Cont'd)

##### (ii) Purchase of Goods and Services

	31 December 2025	31 December 2024
	\$	\$
<i>Key management personnel:</i>		
<b>Lev Mizikovsky</b>		
- Lease of premises from an entity associated with Lev Mizikovsky	<b>268,066</b>	259,216
<b>Geoff Acton</b>		
- Provision of payroll, advisory & secretarial services by an entity associated with Geoff Acton	<b>92,940</b>	89,868
<i>Related parties:</i>		
<b>Tamawood Group</b>		
- Provision of administration services & construction material at cost & lease of premises	<b>58,834</b>	94,857
<b>SenterpriSys Limited</b>		
- Provision of IT equipment at cost & IT services	<b>83,471</b>	61,503
<b>Winothai Pty Ltd</b>		
- Provision of management services	<b>15,473</b>	10,500
<b>Veganic SKN Limited</b>		
- Sunscreen raw materials & tubes	<b>163,165</b>	298,844

## Advance ZincTek Limited

ACN 079 845 855

### Notes to the Financial Statements For the Half Year Ended 31 December 2025

#### 7 Related Parties (Cont'd)

##### (c) Outstanding balances

	31 December 2025	31 December 2024
	\$	\$
<i>Key management personal:</i>		
<b>Geoff Acton</b>		
- Amounts receivable	30,239	30,239
- Loan receivable *	696,000	696,000
* This full recourse loan is repayable on 8 September 2028 and incurs interest of 3.5% per annum.		
<i>Related parties:</i>		
<b>Tamawood Group</b>		
- Amounts receivable	-	-
- Amounts payable	111,834	243,992
<b>SenterpriSys Limited</b>		
- Amounts receivable	575	51,972
- Amounts payable	-	71,539
<b>Veganic SKN Limited</b>		
- Amounts receivable	703,622	291,597
- Amounts payable	52,477	369,496

#### 8 Events Occurring After the Reporting Date

As per the ASX announcement on 13 February 2026, the Group paid a return of capital of \$0.02 per share on 25 February 2026.

## Advance ZincTek Limited

ACN 079 845 855

### Directors' Declaration

The directors of the Company declare that:

1. The interim financial statements and notes, as set out on pages 1 are in accordance with the *Corporations Act 2001*, including:
  - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting; and
  - (b) give a true and fair view of the consolidated group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Lev Mizikovsky  
Non-executive Chairman

Dated: 27 February 2026

## Independent auditor's review report to the members of Advance ZincTek Limited

### Report on the half-year financial report



#### Our conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Advance ZincTek Limited (the Company), and its subsidiaries (the Group) does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 31 December 2025 and of its financial performance for the half-year then ended; and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### What was reviewed?

We have reviewed the accompanying half-year financial report of the Group, which comprises:

- the consolidated statement of financial position as at 31 December 2025,
- the consolidated statement of profit or loss and other comprehensive income for the half-year then ended,
- the consolidated statement of changes in equity for the half-year then ended,
- the consolidated statement of cash flows for the half-year then ended,
- notes to the financial statements, including material accounting policy information, and
- the directors' declaration.

#### Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

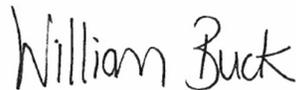
## Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

## Auditor's responsibilities for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



**William Buck (Qld)**  
ABN 21 559 713 106



**T C MARTI-WARREN**  
Partner

Brisbane, 27 February 2026