

10 January 2024

### USA Update

As previously advised in the investor presentation, we flagged the situation with Deveraux Specialties in the USA. Today at 8:30am, I have received notification that Deveraux Specialties have cancelled the majority of their orders, despite their agreement to continue as a non-exclusive distributor. The impact to our first half sales is estimated to be \$1.2 million, 75% to be re-invoiced to the end users during the second half FY24, which brings our total revenue for the first half FY24 to \$5.5 million (FY23: \$6.671 million) based on unaudited management accounts. The total receivables outstanding from Deveraux is \$90,000 which they have agreed to pay before 18 January 2024.

As previously advised, we are avoiding using confirmed sales orders and sales forecasts as a reliable predictor of total sales revenue. However, given today's change in USA market, we are providing shareholders with our Best estimate of sales revenue for the second half FY24. Total confirmed sales orders and sales forecasts, after removing Deveraux orders, for the second half FY24 is \$8.5 million as against FY23 second half sales of \$7.074 million.

ANO is continuing its search for multiple non-exclusive distributors in the US and Canada markets. Sales to our biggest customer in the USA will not be impacted, as we will be shipping direct to them from our Dallas warehouse.

ANO continues to work on the Board initiatives and further cost reduction strategies as previously advised in the investor presentation, October 9, 2023.

Authorised by:  
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Managing Director