

21 September 2020

COVID-19 Sales Update

Based on current distributor forecasts for Q2, FY21 sales for the first half FY21 will be lower than FY20.

ANO understands the delay in sales orders is due to the significant travel restrictions caused by the second and third waves of COVID-19 in Europe and the US. We are also seeing distributors destocking due to us offering much shorter delivery times. Distributors prepared to comment, have indicated that Q3 sales should improve as customers are gearing up for the next season and continue to improve over foreseeable future.

On a positive note, Alusion sales are tracking significantly in excess of last year.

As a consequence of these updated sales forecasts, we can no longer say that the first half of FY21 will be an improvement on the first half of FY20 and are no longer able to predict FY21 results because of the uncertainty of COVID-19. Nevertheless, the Board is working on a number of initiatives to diversify our product offerings, increase our distribution network and prepare the company for anticipated continuous significant increase in demand for zinc oxide over the next 3 years.

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