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31 July 2025

Quarterly Activity Report - Period ending 30 June 2025

Australian natural biotechnology company Skin Elements Limited (ASX: SKN) (Skin Elements, the Company) is pleased to present its Quarterly Activity Report for the period ending 30 June 2025.

Quarterly Highlights

- **ECO-Nurture sustainable, horticultural plant bio stimulant now completing final year in field spraying programme as a precursor to commercial roll-out in 2026 season on kiwifruit orchards in New Zealand.**
- **The SuprCuvr disinfectant formula continues evaluation as an all-natural organic 4 in 1 cleaner and disinfectant.**
- **Continued development of new premium SPF50 Soleo Organics formulation for domestic market and opportunity for white label sunscreen range in large-scale retail pharmacy sector**
- **R&D Rebate advance of $117k received in the quarter resulting from the eligible R&D expenditure for FY2025.**

SE Formula™ – the Cornerstone of our Business

The SE Formula has been developed by Skin Elements over the last 18 years and is the core of every natural product we develop. Products with the SE Formula™ have scientifically proven efficacy while using only natural and plant-based ingredients and have come to be trusted by consumers.

To date, the Company has developed four core **GREEN - Tech** formulas, with each providing viable, efficacious, environmentally friendly alternatives to widely-used chemical based products in mass markets globally. These formulas form the basis of Skin Elements' product range - Soléo Organics, SuprCuvr, ECO-Nurture and PapayaActivs Therapeutics – and underpin its value proposition.

Skin Elements has a three phase development process leading into commercial scale production and sales:

Phase 1. Pure research and development to undertake investigations into natural organic ingredients and processes to prepare prototype formulations.
Phase 2. Produce test batches and undertake product trials, test marketing and regulatory certifications.
Phase 3. Negotiate distribution agreements and commence scale up production and launch into commercialisation.

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During the quarter, Skin Elements' continued investment in the research and development of its proprietary plant-based, high-performance SE Formula biotechnology and has continued to build initial traction in Phase 3 negotiations on distribution agreements and commercial scale production across its product ranges.

Commenting on the quarter, Skin Elements Executive Chairman Mr Peter Malone said;

"Skin Elements continued progression during the period of our core formulas into Phase 3 of our 3-phase approach to product development provided strong validation of the Company's product development and commercialisation plans for its product range, as we seek to bring large scale commercialisation opportunities to fruition. In particular, the Company's ECO-Nurture horticultural-specific bio stimulant is completing successful evaluation in large-scale settings ahead of planned commercial roll-out 2026."

ECO-Nurture – Phase 3 Commencing

ECO-Nurture is a sustainable, horticultural-specific plant bio stimulant product developed from the plant-based SE Formula biotechnology research and development program as an effective alternative to chemical-based agricultural sprays currently used in crop disease protection globally.

During the quarter, the Company continued to work through the certification for wide spread adoption of ECO-Nurture for the New Zealand kiwifruit industry under Zespri's spray list approved Zespri Crop Protection Standards. Headquartered in New Zealand, Zespri is the world's largest marketer of kiwifruit with over $5 billion in sales annually.

Assessment of ECO-Nurture on up to 120 kiwifruit orchards in New Zealand over the past three growing seasons has delivered positive outcomes on kiwifruit plant protection and productivity without any chemical residue.

Skin Elements is seeking to commence the commercial roll-out of ECO-Nurture for the 2026 New Zealand kiwifruit growing season.

SuprCuvr - Phase 3 Commencing

SuprCuvr is a TGA registered hospital-grade disinfectant made from the Company's proprietary 100% plant-based formula. It combines the world's highest level of efficacy against viral and bacterial infection with a 100% plant-based organic input certified formula to present a significant market opportunity for a chemical-free disinfectant in large-scale settings such as food manufacturing, hospitality retailing businesses, public transport and health.

SuprCuvr is currently being used by Spotless cleaning contractors in the Melbourne city trains and also undergoing trials with the agriculture sector in New Zealand. SuprCuvr is TGA registered in Australia and has MPI registration in New Zealand.

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Soléo Organics – Phase 3 Commercialisation Negotiations

Soléo Organics is an award-winning, natural and organic sunscreen formulation, providing a highly effective, high performance chemical-free sunscreen range. It was the first application borne out of Skin Elements' SE Formula research and development program.

Skin Elements is working on the development of a new, premium SPF50 Soléo Organics sunscreen for the domestic market, as well as negotiations with a leading health retail group in the United Kingdom for distribution of the Soléo Organics sunscreen formulation under white label.

Skin Elements will update the market on any material progress on these, or any other, sales or distribution opportunities.

PapayaActivs Therapeutics – Phase 2 completing

During the quarter, Skin Elements continued to progress Phase 2 improvements in the PapayaActivs formulation and expansion of the product range. The Company also undertook small scale Phase 3 test market of skincare ranges through its online store.

PapayaActivs combines a high concentration of natural pawpaw extract with other active natural ingredients to help relieve the symptoms of skin conditions, like psoriasis, rashes, eczema, assist in healing of minor burns and wounds, and relieve mild muscle, joint and arthritic pain. PapayaActivs is listed on the TGAs Australian Register of Therapeutic Goods.

Corporate

Research & Development Rebate and Radium Facility

The Company's commitment to the continued research and development of its natural SE Formula Biotechnology sees it eligible for the Federal Government's R&D Rebate.

During the quarter, Skin Elements received a R&D Rebate advance of $117k provided by Radium Capital.

Summary of Operating Cashflows

The Company's progression through the three phase research program is reflected in the operating cashflows for the quarter, which included customer receipts of $114k and operational cash outflows included $175k invested in product manufacturing, staff and research & development, and $74k for marketing, premises, administration and corporate finance costs. Net cash outflows from operating activities for the quarter were $138k. The Company continues to manage operational cashflows in line with operational and financing cash inflows.

In addition, during the quarter $28k was paid to Directors for services and $140k was paid to entities associated with the Directors for repayment of borrowings related to R&D project costs.

This announcement has been approved by the Board of Directors of Skin Elements Limited.

END

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For further information please contact

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About Skin Elements

Skin Elements (ASX: SKN) is an award winning Australian owned and operated ASX-listed natural biotechnology company focused on the development of its SE Formula Biotechnology. Skin Elements world leading innovative approach to research and development of plant-based and organic sourced ingredients has enabled the creation of a portfolio of all natural plant based formulations that have global applications. Its flagship formulations have delivered products that include the SuprCuvr TGA-registered, hospital-grade plant-based disinfectant, ECO-Nurture plant bio-stimulant, Soléo Organics natural and organic sunscreen, PapayaActivs natural therapeutics skincare products and the Elizabeth Jane Natural Cosmetics brand.

Further information is available via the Company website: http://skinelementslimited.com and on the Company online store: www.sknlife.com.au.









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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

SKIN ELEMENTS LIMITED (ASX:SKN)

ABN

90 608 047 794

Quarter ended (**Current quarter**)

30 June 2025

Consolidated statement of cash flows		Current Quarter $A'000	Year to date (12 Months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	114	484
1.2	Payments for:	-	-
	(a) research and development	(66)	(463)
	(b) product manufacturing and operating costs	(5)	(49)
	(c) advertising and marketing	(27)	(65)
	(d) leased assets	(25)	(111)
	(e) staff costs	(104)	(372)
	(f) administration costs	(11)	(145)
	(g) corporate costs	(11)	(146)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	2
1.5	Interest and other costs of finance paid	(3)	(95)
1.6	Income taxes (paid) / refunded	-	-
1.7	Government grants and tax incentives	-	1,194
1.8	Other: (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	(138)	234
2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-

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2.6	**Net cash from / (used in) investing activities**	-	-

Consolidated statement of cash flows		**Current Quarter $A'000**	**Year to date (12 Months) $A'000**
3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	657
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(40)	(109)
3.5	Proceeds from borrowings	128	523
3.6	Repayment of borrowings	(140)	(1,361)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	(51)	(289)
4.	**Net increase / (decrease) in cash and cash equivalents for the period**	-	
4.1	Cash and cash equivalents at beginning of period	249	115
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(138)	234
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(51)	(289)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	60	60

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	60	249
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details):	-	-
5.5	**Cash and cash equivalents at end of quarter** (should equal item 4.6 above)	60	249

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	Nil
6.2	Aggregate amount of payments to related parties and their associates included in item 2	Nil

Note: if any amounts are shown in items 6.1 and 6.2 your quarterly activity report must include a description of, and an explanation for, such payments

In December 2024, following shareholder approval, the Company issued equity securities in satisfaction of amounts owed to Directors and Key Management of approximately $500K.

During the quarter $28k was paid to Directors for services and $140k was paid to entities associated with the Directors for repayment of borrowings related to R&D project costs.

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7. Financing facilities Note: the term "facility' includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify): - R&D Rebate Facility	685	433
7.4 **Total financing facilities**	685	433

7.5 **Unused financing facilities available at quarter end**	252

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

- ***R&D Rebate Advance Facility Terms and conditions:***

Terms	Up to 18 months.
Total facility	$685K based on eligible R&D spend.
Drawdown	As at 30 June 2025, $433K has been drawn down.
Security	The facility is secured against the R&D Tax Rebate based on eligible R&D spend. The facility and interest is repaid on receipt of the R&D Rebate.
Interest Rate	15% p.a. pro rata.

8. Estimated cash available for future operating activities	**$A'000**
8.1 **Net cash from / (used in) operating activities** (Item 1.9)	(138)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	60
8.3 Unused finance facilities available at quarter end (Item 7.5)	252
8.4 Total available funding (Item 8.2 + Item 8.3)	312
8.5 **Estimated quarters of funding available** (Item 8.4 divided by Item 8.1)	2.26

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. *Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not*?

   Answer:

N/A

2. *Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?*

   Answer:

N/A

3. *Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?*

   Answer:

N/A

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

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Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: Thursday, 31 July 2025

Authorised by:

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 107: Statement of Cash Flows apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – e.g. Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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