

**Zoono Group Limited (ASX: ZNO)****ASX ANNOUNCEMENT**

30 September 2019

**Zoono Signs 3 New Distribution Agreements  
Expanding its Global Distribution Network**

Global technology company Zoono Group Limited (ASX: ZNO) ('Zoono' or 'the Company') is pleased to announce that it is continuing to make good progress in the implementation of its revised marketing and distribution strategy.

Approximately 12 to 15 months ago, the Zoono Board embarked on a plan to revitalise its global distribution strategy. Initially, it took several steps back, primarily in an effort to achieve greater control of its distribution arrangements. In the key European market, the Company established an office in the UK to be close to, and to appropriately service, its customers. The sales opportunities for that office are growing quickly.



***Ten EU countries were represented at the recent Zoono conference in the UK***

In regional markets, where it is not practical or economic for the Company to have a presence, the Company embarked on a program to improve the quality of its distributors.

In doing so, it has terminated many of its existing, but unproductive, distribution arrangements and, in their place, the Company has focused on the appointment of distributors with specific expertise and/or proximity to these regional markets and/or key niche markets within those regions. The Company has also sought to exercise greater control of the activities and performance of its distributors, particular in respect of their pricing, go to market strategies and adherence to minimum sales performance.



***Zoono CEO, Paul Hyslop, welcomes EU distributor partners to the recent UK conference.***

As announced last week, the new distribution arrangements in the China market are one example of the new strategy. Other examples are the entry by the Company into sales and distribution agreements with:

- Bosnia-Herzegovina based TEH D.O.O.;
- South African based International Nutrition and Sport SA (Pty) Ltd; and
- Middle East based ASH Group FZE LLC.

Details of these three new distribution agreements are set out below.

It is expected that, in coming months, the Company will enter into further new sales and distribution agreements.

The Zoono Board is confident that, with time, these distribution arrangements, and the other distribution opportunities now becoming available to Zoono, will make a significant and on-going contribution to the overall financial performance of Zoono from countries and regions which may not otherwise be productive for the Company.

#### **Major Terms of the TEH D.O.O. Distribution Agreement:**

- An initial five-year term.
- Exclusive sale of Zoono branded products in Bosnia-Herzegovina, Croatia, Serbia, and Montenegro.
- Minimum annual performance volumes:
  - First 12 months from commencement: NZD\$350,000;
  - Second 12-month period: NZD\$450,000;
  - Third 12-month period: NZD\$600,000; and
  - Thereafter, the minimum sales requirement will increase by 10% each year (based initially on year three total sales).
- The distributor has already paid for and received delivery of its first order for Zoono products (NZD\$45,000) and has now placed a second order for NZD\$88,000 being delivered this week.



**Ana Bavrka representing ZOONO at the recent Sarajevo Trade Show**

#### **Major Terms of the International Nutrition and Sport SA (Pty) Ltd Distribution Agreement:**

- An initial five-year agreement.
- Exclusive sale of Zoono branded products in South Africa, Botswana, Lesotho, Swaziland, Zambia and Namibia.
- Minimum annual performance volumes of:
  - First 12 months from commencement: NZD\$650,000;
  - Second 12-month period: NZD\$800,000;
  - Third 12-month period: NZD\$1,000,000; and
  - Thereafter, the minimum sales requirement will increase by 10% each year (based initially on year three total sales).

- The Distributor has already placed and paid for its initial order of Zoono products (NZD\$201,000). The products were supplied in Q1 of FY20. The Distributor has also undertaken to place a further order for NZD\$201,000 on or before 31 January 2020.

**Major Terms of the ASH Group FZE LLC Distribution Agreement:**

- An initial five-year agreement.
- Exclusive sale of Zoono branded products in Egypt, Syria and Iraq.
- Minimum annual performance volumes of:
  - First 12 months from commencement: NZD\$400,000;
  - Second 12-month period: NZD\$480,000;
  - Third 12-month period: NZD\$750,000; and
  - Thereafter, the minimum sales requirement will increase by 10% each year (based initially on year three total sales).

The Distributor's first order is expected to be for NZD\$110,000 and is scheduled for October.

For each of the above Distribution Agreements Zoono has the right to terminate if the Distributor fails to achieve its minimum annual performance requirements or there is a material change in ownership or control of the Distributor.

**For further information, please contact:**

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**About Zoono**

Zoono Group Limited is a global biotech company that develops, manufactures and distributes a suite of scientifically-validated, long-lasting and environmentally-friendly antimicrobial solutions. Zoono's mission is to improve health and well-being through innovative, safe, non-toxic and durable germ protection.

Zoono produces sprays, wipes and foams suited for skin care, surface sanitisers, and mould remediation treatments. The products are based on the 'zoono molecule', a unique antimicrobial molecule that bonds to any surface and kills pathogens including bacteria, viruses, algae, fungi and mould.

Zoono's products have received numerous regulatory approvals and the company's technology claims are supported by independent testing conducted in laboratories worldwide. Zoono is headquartered in New Zealand and its products are available globally.

To learn more, please visit: [www.zoono.com](http://www.zoono.com)