ZOONO GROUP LIMITED AGM PRESENTATION

SYDNEY NOVEMBER 2020
PAUL HYSLOP MANAGING DIRECTOR

ZOONO®

GROUP FINANCIAL Total A Total A TOTAL HIGHLIGHTS ROA: ROE:

30 June 2020 (NZD)

Group Revenue: \$38.3M

Profit before tax: \$20.4M

Profit after tax: \$16.7M

Cash at bank: \$10.30M

Total Assets: \$34.7M

Total Equity: \$21.0M

ROA: 48.0%

ROE: **79.5**%

NTA per share 12.81 cents per share

EPS: 10.20 cents per share

Dividend: 3.20 cents per share

NB: PLEASE REFER TO 30 JUNE 2020 ANNUAL REPORT FOR FURTHER DETAILS

BALANCE SHEET SUMMARY

30 June 2020 (NZD)

Cash on hand
Inventories
Total Assets
Total Liabilities
Total Equity

\$10.3M
\$13.2M
\$34.7M
\$13.7M (includes Deferred Income of \$1.3M)
\$21.0M (61% of Total Assets)

REVENUE & OTHER INCOME & PROFIT REPORTED

\$38.3 million Revenue & Other Income 12 months to 30 June 2020 (\$1.8 million 30 June 2019)

\$28.3 million Gross profit 12 months to 30 June 2020 (\$0.8 million 30 June 2019)

\$20.4 million profit before tax 12 months to 30 June 2020 (\$2.4 million loss 30 June 2019)

\$16.7 million profit after tax 12 months to 30 June 2020 (\$2.4 million loss 30 June 2019)

\$20.6 million operating EBITDA (FY19: \$2.4 million loss)

(NZD)



SUMMARY PERFORMANCE

Strong overall financial management and performance

High Gross Margins

Strong cash generation and strong profitability

Low overheads

Low capital investment model

FIRST QUARTER
FINANCIAL
HIGHLIGHTS

\$15.0M in cash receipts

\$2.8M operating cash flow positive

Dividend payment \$5.1M

Expect strong operating cash flow positive FY21



MARKET OVERVIEW

JAMAL McCLEARY GENERAL MANAGER

PAUL MORRISON GENERAL MANAGER

THOMAS FRENCH GENERAL MANAGER

DENNIS MONTGOMERY GENERAL MANAGER

MICHAEL WU BUSINESS MANAGER

KEVIN STOREY DIRECTOR

UK & EUROPE

AUSTRALIA & NEW ZEALAND

AMERCIA

MIDDLE EAST & AFRICA

CHINA

ANIMAL HEALTH



MARKET OVERVIEW UNITED KINGDOM

JAMAL McCLEARY GENERAL MANAGER

ZOONO®

New General Manager UK/EU – Jamal McCleary

New CFO UK/EU – Ashley Malpass

New Microbiologist – Jade Pallett

Engaged a UK specialist to work with Trading Standards to restore our 30 day claims following submission of our latest (compelling) test results

Regulatory approvals granted in most EU countries:

Austria, Belgium, Bosnia, Croatia, Czech Republic, Denmark, Estonia, France, Germany, Hungary, Ireland, N. Macedonia, Malta, Montenegro, Portugal, Serbia and Sweden

Other EU countries which have either been submitted, are due to be submitted or the registration process is underway:

Albania, Bulgaria, Cyprus, Greece, Kosovo, Luxembourg, Norway, Poland, Romania, Slovakia, Slovenia and Switzerland

UNITED KINGDOM & EUROPE

KEY DISTRIBUTORS

Bunzl

Killis

OneSpray

TEH - Bosnia

Zoono Germany

ZOONO GROUP LIMITED

AGM PRESENTATION

ZOONO

KEY DISTRIBUTOR; Bunzl UK

<u>Customers include:</u>

ISS (FM)

Atalian Servest (First Group/ GWR/ LSER/ Retail etc)

ABM - Rail & Aviation

Bunzl Catering Division

Churchill Contract Services (TFL)

Universities & Colleges

Care homes

Leisure facilities

We are in the process of replicating our UK model with Bunzl UK into Europe, starting with France, Czech Republic and Sweden

KEY CUSTOMER; Atalian Servest

- Currently servicing majority of the rail networks across the UK
- This has led to the transfer of knowledge and product to FG US (First Student/ Greyhound & First Freight)

Key sales pipeline & Initiatives

- Relaunch online presence with Amazon
- Schools Programme
- Zoono Sports
- Launch an Approved Service Provider accreditation scheme
- Zoono AG use of Z71 throughout fresh fruit and Veg sector (farm to shop – big opportunities in Bananas;
 Fyffes want to go to trial and will pay)
- Sector/ vertical specific distribution network (Europe wide)
- TransDev work with Passenger Train Authorities (PTA) globally

- Focus on supply to FM companies
- Opportunities for both Bunzl & Atalian Servest globally (AS have a presence in 33 countries globally - already working well in the US, products being distributed across Far East)
- Distribution discussions with several territories in the North African region
- Opportunities in Russia, currently pending regulatory approval
- Large retail company interests

AGM PRESENTATION

MARKET OVERVIEW AUSTRALIA/NEW ZEALAND

PAUL MORRISON GENERAL MANAGER

ZOONO®

NEW ZEALAND

- Relocated to a substantially larger warehouse and office facility to cope with demand
- Zoono continues as an essential services in lockdown supplying local and international businesses
- B2B sector remains the focus
- Digital marketing specialist employed to drive growth within B2C sector
- NZTE funding to complement growth strategies

NEW ZEALAND

- Development and implementation of Authorised Service Providers (ASP) and Authorised Resellers (AR) Programs
- Partnering with Nationwide Sales Forces for sales direct to small / medium business customers
- Confirmation and further development of Zoono Automotive offering through specific sector channels focused on Public Health environment
- Implementation of our B2B information hub, online, for ASP's and AR's
- Positive outlook for growth through a linked approach with ASP's driving demand and recognition B2B2C

AUSTRALIA

- Therapeutic Goods Administration (TGA) lists Z-71 Microbe Shield as an effective disinfectant for hard surfaces against germs, bacteria and Covid-19
- Zoono individual wipes become part of Qantas "Fly Well" program.
- WINC sales into Child Education Centres and focus within the Health Hygiene and Safety environment
- New 3PL provider based in Melbourne for direct dispatch
- New distribution agreement with Johns Lyng Group/ RestorX

AUSTRALIA

- Implementation of Authorised Service Providers (ASP) and Authorised Resellers (AR) Programs
- Implementation of a test Affiliate Program in the Rideshare space
- Focus on partnering within Health Care Solutions groups
- Building of our B2B information hub, online, for ASP's and AR's
- Very positive outlook for growth while controlling Brand Equity leakage through implementation of specific partnership criteria

MARKET OVERVIEW AMERICA

TOM FRENCH GENERAL MANAGER

ZOONO®

Operations

- New Subsidiary Zoono Holdings USA LLC (Zoono Global buy-out USA master Distributor)
- Replicating the success of the UK operation in the USA / Canadian / Mexico/ Central America / Caribbean markets is the initial aim over the next 2 to 3 years
- New General Manager Americas Tom French
- New chemical reactor purchased allowing the Company to make its own raw materials and this is enough to make 3 million liters of ready to use products per day
- New premises lease Tinton Falls, New Jersey Office and Warehouse
- Regulatory New EPA registrations and testing underway to make COVID related/longevity claims
- Launching a new online sales website in November to drive B2C sales

Market Expansion

Mexico Distributor

• Regulatory hurdles cleared, Placing initial order 11.20

Panama Distributor

- New distributor serving Central America to sign agreement 11.20
- Regulatory approvals underway initial order volumes in development

Puerto Rico

Vetting of new distribution partner underway

Jamaica

- Access to Jamaica to be enabled via existing relationship with major UK distributor OneSpray
 Sub-License of Zoono to Dalrada Health (global Health Solutions company)
- Zoono FDA and EPA registered product to be private label-branded

Distributor Overview

Zoono Canada

Zoono Mexico

Intersport

USA

Dizinfex

MANS Distributing

MicroSonic

LionsHead

Just Gone Systems

Gold Service Sanitation

Z₁US

Agent Overview

27 individual agents representing Zoono to dedicated target list of customers across USA

NEW Partner / Distributor Overview

- VB Envirocare pharmaceutical grade disinfecting and air purification products
- Sanitation Boss Better Options Safer Solutions sanitizing services and products
- Simple Climate adding Zoono to a range of sustainable environmentally safe disinfecting solutions
- OneSpray international distributor of high-quality cleaning products
- AllClean Services LLC facilities service providers offering Zoono services across continental

ZOONO®

AGM PRESENTATION

Current TOP Customer Overview

- United Airlines spraying their entire mainline and express fleet using Zoono Microbe Shield
- CVS #1 Pharmacy Retailer 2 OTC products, Wound Cleanser & Ultra, 6500 stores
- Texas Charter Schools
- San Antonio Independent School District
- San Antonio Riverwalk
- California Counties County Jails, Correctional facilities, Offices, Squad Cars
- Texas Counties County Jails, Correctional facilities, Offices, Squad Cars
- Florida Counties County Jails, Correctional facilities, Offices, Squad Cars
- St. Louis Transit trains and buses
- Charlotte Transit entire bus fleet
- NFL Hall of Fame Hotel, Stadium, Fitness Centre, Food Service, Transport
- Oklahoma University Stadium and associated facilities



Top Prospect / Opportunity Overview

- 7-Eleven 68K franchise stores worldwide currently testing Zoono vs competitor
- Olympia Entertainment management company handling Detroit Tigers, Red Wings, Pistons, Joe Louis Arena, etc.
- ARDA (Time Share) 400K resorts, representing 25% of world wide time share inventory
- Boeing creating an airline aftermarket catalog site
- Grainger Fortune 500 industrial supply company
- Imperial Dade a leading distributor of maintenance supplies and equipment in the USA, Puerto Rico and the Caribbean
- Jon Don major Jan–San distribution firm initial orders placed
- GA Poultry Market Poultry in GA is #4 largest poultry producing area in world
- UPS 494K employees, looking to treat facilities and vehicles to protect their employees
- DELTA Airlines highly eager to replicate United results, awaiting Covid testing results



AGM PRESENTATION

Trial

- LAX trial underway
- Grand Rapids Airport trial underway
- Olympia Entertainment 60-day trial underway competitive Bake-off 30-day results showing Zoono as superior
- Microsoft trial of product if successful, opportunity to treat 15M sq ft. of corporate campus
- America Medical Association trial planned. Opportunity to leverage AMA association
- 7-Eleven 30 days in to a 90-day trial competitive Bake-off
- City Winery (Nashville) trial underway, initial results show significant improvement of hygienic state
- Virgin Hotels trial underway two weeks in
- Ryman Auditorium trial underway two weeks in
- Brittain Resorts (17 US properties) trial underway early results show significant improvement in environmental hygiene

MARKET OVERVIEW MIDDLE EAST & AFRICA (MENA)

DENNIS MONTGOMERY GENERAL

MANAGER

ZOONO®

New contract signed with Fine Hygienic Holding for own label product using the Zoono Antimicrobial Technology, and looking to sell our products into their 70 country network.

New areas of product development with Babies Diapers applying Zoono to prevent nappy rash.

Masks will be produced with ZoonoTex and will be the only masks in the world recommended by the Medical Awareness Association for the Prevention of Infection.

James Michael Lafferty, CEO of Fine Group (and an Olympic Coach), already has a large marketing campaign lined up with Olympic Athletes and Celebrities.





IBV in Dubai are our Exclusive partners, recent success has included:













DUBAI



THE ELS CLUB DUBAI



LPM RESTAURANT DUBAI



PIADERA ITALIAN RESTAURANT DUBAI

IBV are also launching an on-line sales portal in November 2020 to cover the Middle East Regions

Further developments a JV with one of the largest FM groups in the UAE will secure substantial business for IBV and Zoono.

Currently in talks with Emirates Airline, Dubai Taxi and Dubai Healthcare City

New lab trials completed on Zoono Laundry Guard, Z–71 and GF24 by Dubai Municipality and Intertek show efficacy between 99.99% and 100%. Further testing is in progress.

Developing new sales channels in Bahrain, Saudi Arabia, Egypt, Africa

Anticipate engaging other new non-exclusive distribution partners during November 2020

Bahrain should develop within 6 months

Samples are currently on-route to Bahrain and then the process of testing and registration can begin. This agreement is with one of the largest family owned groups in Bahrain

New concepts for packaging on Zoono Hand Sanitiser & Laundry Guard being considered which would provide additional income to the group as well as greatly reducing our packaging and shipping costs

Establishment of a Regional Office in Dubai currently under way

Trials about to start with the Accor Hotel Group (550 outlets in the MENA Region and growing) on complete sanitisation process and hand sanitisation

Trials are nearing completion on cardboard packaging. All initial results have been exceptional and we expect orders by the end of November 2020

MARKET OVERVIEW

CHINA

MICHAEL WU BUSINESS MANAGER

ZOONO®

CHINA MARKET ACHIEVEMENTS









ZOONO ALIBABA GLOBAL FLAGSHIP STORE

FIRST GRADE APPROVAL & PRODUCT
REGISTRATION OF IMPORTED DISINFECTANT
PRODUCTS

WAREHOUSE ESTABLISHED IN SHANGHAI FOR CROSS BORDER TRADING AND GENERAL IMPORTING BUSINESS

SOLID CUSTOMER BASE IN HONG KONG

ZOONO GROUP LIMITED

AGM PRESENTATION

ZOONO®

OTHER ACHIEVEMENTS

- New Zealand Trade and Enterprise Shanghai office is providing marketing support and resources through government connections
- In the process of negotiating with major airlines and airports in China to supply Zoono products
- Start introducing new range of products for the newly emerging, fast growing pets market in China
- Continually seeking opportunities in the education sector, targeting international schools and kindergartens
- Offline retail is also promising with several organizations wanting to co-operate with Zoono to develop the traditional sales channel
- Animal health/welfare market presents huge potential in China. We have made connections with valuable contacts and agents

FORESEABLE FUTURE

- The unprecedented COVID-19 pandemic has changed Chinese people's perception of personal hygiene. Wearing masks and using hand sanitizer have become essential and necessary in everyone's daily life.
- Disinfectant market is predicted to increase by 5% yearly in China as a result of the global pandemic. Online personal hygiene products sales via T-Mall and JD are estimated to increase rapidly by 20% in the next five years.
- China is a huge (yet complex) market with intense competition especially on low end products. This market dynamic means Zoono needs to invest in marketing/branding in order to increase brand awareness.

MARKET OVERVIEW ANIMAL HEALTH

KEVIN STOREY GENERAL MANAGER

OVERVIEW

COONO ANIMAL HEALTH

- We intend to highlight the strategy and progress since our engagement as the global distributor for the Zoono technology in the animal health sector.
- After identifying the effects Zoono Z-71 in the livestock protein production sector poultry and swine has been our dedicated focus as these are the two largest protein sectors in the world.
- Zoono technology through numerous field studies and scientific testing is proving unique financial and health benefits to the livestock industry.
- The key to a long term sustainable market is in investing in a suite of scientific and field related studies to prove its effectiveness as an antimicrobial coating rather than traditional sanitiser.
- Healthier livestock consume less food which in turn provides financial benefits through improved "Feed Conversion Ratios" (FCR).
- Our field studies with poultry integrators over the past 18 months have provided results where the improved FCR have averaged 4 5 points.
- To put this into perspective a NZ poultry integrator would value one point between \$200k \$1m range per annum dependant of bird volumes across their farms.
- Client estimated return on investment 5 8 times product cost.





IMPLEMENT BUSINESS STRATEGY

1

• Appoint sub-licensee in key markets and partner with them in the following processes

7

• Obtain product registrations relevant for animal contact and environments

V

• Identify willing participants in the livestock sector to collate field study results on poultry and swine farms proving efficacy against common industry microbes and improved FCR performance

1

• Invest in scientific studies on common industry microbes from Universities with agricultural faculties within the distributors territory Each country will only rely on studies completed within their own borders.

E

• Engage with key influencers – vets, poultry and swine industry associations, leading livestock producers

6

• Educate the end user through key influencers and sector associations on the benefits of transitioning from a one shot sanitiser to a two shot anti microbial coating with proven longevity



AGM PRESENTATION

TECHNICAL AND SERVICE EXPERTISE

- Establishing **BIOSECURITY PROTOCOLS**
- Application protocols
- Online equipment training
- Client reporting with formal antimicrobial reading and technology and software reporting
- Published scientific studies and field service









DISTRIBUTOR APPOINTMENTS

Exclusive & Non-Exclusive

Australasia

- NZ
- Australia

United States

- USA
- Canada

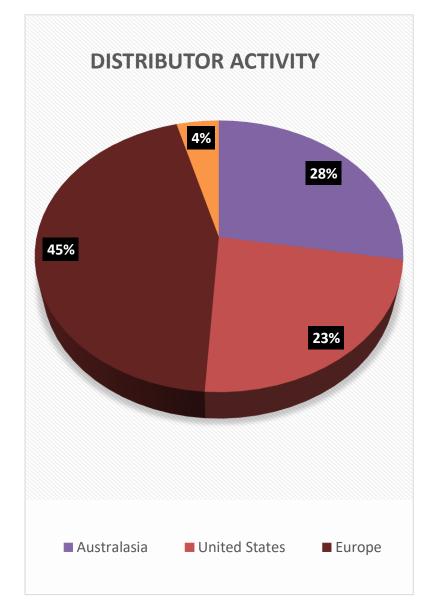
Europe

- England
- Ireland
- Portugal
- Hungary
- Germany

Pending

- India
- Brazil
- Russia







KEY REQUIREMENTS FOR EXPONENTIAL GROWTH

Australia

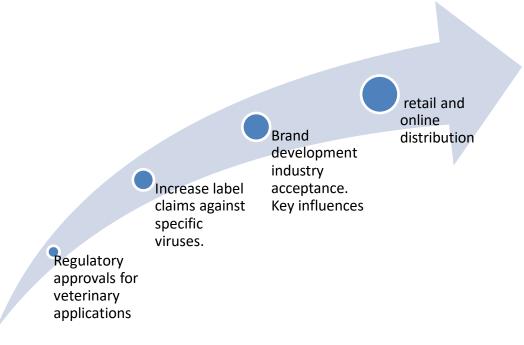
- Extending our poultry footprint and continue with swine studies by our licensee APIAM Animal Health.
- Increase label claims for veterinary use

USA

- In collaboration with APIAM scientific study on common viruses that effect swine are about to conclude at the world recognised Iowa State University.
- Poultry scientific study protocols agreed and to be undertaken at the University of Georgia, the key to acceptance in US poultry sector
- Label upgrade for veterinary use with specific viral claims approved

Europe

- Country registrations for animal applications.
- Department for Environment, Food and Rural Affairs (DEFRA)
- Increase label claims for veterinary use
- Ministry of Agriculture field studies and acceptance.





MARKETING OVERVIEW

PIP HOBSON MARKETING MANAGER

MARKETING UPDATE

2020

Maximise revenue & profit during peak demand period.

Q4 2020

- Review
- Analyse
- Update strategy
- Plan Activity

2021

Implement/Execute
Strategy

MEDIA COVERAGE

Media around the world have identified Zoono as one of the most innovative sanitising solutions available.





















MEDIA COVERAGE:



Covid 19 coronavirus: Kiwi sanitiser being used in the fight against killer virus

United Airlines →

Sep 16, 2020, 07:30 ET



There were no new cases of Covid-19 and 94% of existing cases have recovered. PM Jacinda Ardem says the strict rules for funerals under alert level 2 are being looked at and an announcement is expected this afternoon









Mike Sommerville, of professional services company Sterico, has been applying Zoono Z-71 surface sanitiser at the Auckland school, saying it will last 30 days on surfaces against viruses, bacteria and mould.

He said regular disinfectant does not remain effective for very long whereas the Zoono product has fantastic benefits



United Adds Antimicrobial Spray to Already Extensive Cabin-Cleaning Measures

EPA registered protectant bonds to surfaces and creates a long lasting repellent against microbes:

Airline plans to add antimicrobial protectant to entire mainline and express fleet on a weekly basis, adding extra level of protection that complements current daily electrostatic spraying regimen



SHARE THIS ARTICLE

Kiwi sanitiser Zoono tests 99.99% effective against coronavirus, sales increase five-fold

stuff













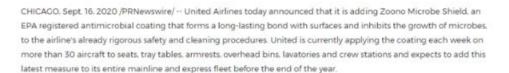
A Kiwi-made water-based sanitiser has tested almost 100 per cent effective against coronavirus for up to 30 days on surfaces and 24 hours on hands.

Zoono's sales increased five-fold since the Australia sharemarket listed company announced on the ASX last week that its lab tests in Britain confirmed the Z-71 microbe shield technology in its sanitiser was 99.99 per cent effective against the current strain of Covid-19 coronavirus.

Tests were conducted by Microbiological Solutions Limited under the European Standard 14476, which specifies minimum requirements for chemical disinfectant and antiseptic products.

Zoono's founder Paul Hyslop said sanitiser, which is made in Auckland, used a process called lysis to form a protective barrier resembling microscopic pins on surfaces that pierced the pathogen.

NEWS PROVIDED BY

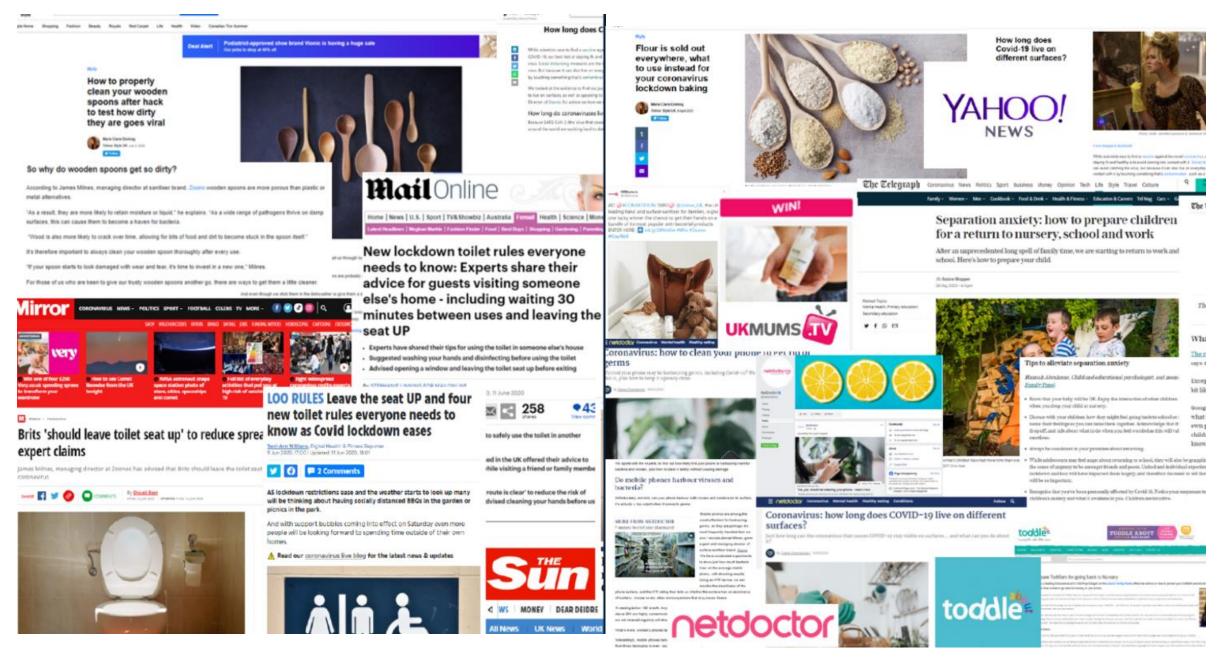


The antimicrobial coating, created by Zoono Group Limited, a New Zealand Company and distributed in the USA by MicroSonic Solutions, will serve as an added layer of protection that complements the airline's existing, daily electrostatic spraying regimen before departing flights.

"This long-lasting, antimicrobial spray adds an extra level of protection on our aircraft to help better protect our employees and customers," said Toby Enqvist, United's Chief Customer Officer, 'As part of our layered approach to safety, antimicrobials are an effective complement to our hospital-grade HEPA air filtration system, mandatory mask policy for customers and daily electrostatic spraying. We've overhauled our policies and procedures and continue to implement



MEDIA COVERAGE:



SOCIAL MEDIA/DIGITAL

Activity across Instagram, Facebook & LinkedIn.

Influencer marketing and paid ads.



▲ Google Ads



BRAND COLLABORATIONS

Supplying Zoono individually—wrapped wipes to Qantas has doubled up as a powerful sampling initiative.







The Fly Well kit
contains a face mask
and two sanitising
wipes, in case
travellers wish to
wipe down their seat
belts, trays and
armrests for their own
peace of mind

ZOONO GROUP LIMITED

GLOBAL BRAND EVOLUTION

CREATING A WORLD-CLASS BRAND

- Revised brand and marketing strategy
- Cohesive global marketing initiatives
- New B2C/B2B website with advanced functionality
- New photography & video assets
- New label design for home & surface products
- B2B marketing division



AUSTRALIA/NEW ZEALAND MARKETING HIGHLIGHTS

SPONSORSHIPS/
COLLABORATIONS





MAKE & WISH & ZOONO SOCIAL INITIATIVE



DIGITAL, PR &
TRADITIONAL
MEDIA SUPPORT





NEW PRODUCT
DEVELOPMENT
NEW LOOK ZOONO
HOME PRODUCT



UK MARKETING HIGHLIGHTS

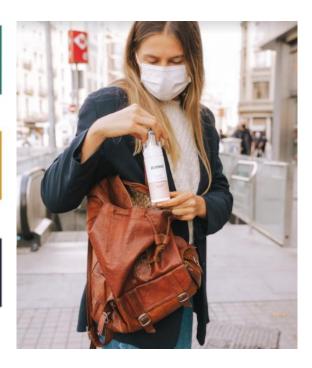
- Social Media support
- Digital Marketing (Google Ads/Fac Ads)
- Email Marketing
- Refreshed lifestyle photography
- Customer reviews launch
- Quarterly Creative PR Campaigns
- B2B Marketing Push



THE MOST TOUCHING MOMENTS OF 2020

THE SIXTH LOVE LANGUAGE

LIFE AFTER LOCKDOWN



USA MARKETING HIGHLIGHTS

- Social Media Launch
- Digital Marketing (Google Ads/Facebook Ads)
- •Email Marketing
- •PR Launch Campaign





QUESTIONS

This presentation has been authorised for release to ASX by the Board of Zoono Group Limited