

**ZOONO GROUP LIMITED
(ASX: ZNO)**

**ASX ANNOUNCEMENT - 3 October 2024
Quarterly Report and Company Update**

- **Cash receipts for the quarter up to NZ\$601K.**
- **Significant further reduction in net cash operating costs of NZ\$1.1M for the quarter from the previous quarter.**
- **Strong Interest generated in shelf-life extension technology, with 21 companies already going to trials, including well known household names.**

Zoono Group Limited (Company) (ASX: ZNO) today releases its Appendix 4C for the quarter ending 30 September 2024. In conjunction with that release, Zoono provides the following quarterly activities report to update shareholders and the market on developments during the quarter and the Company's outlook.

Zoono continues to prioritise the development of commercial opportunities in its selected niche markets. Importantly, progress is being made on several major sales opportunities.

Shelf-life extension project - UK, Europe, Asia, Africa and Australia

Zoono and OSY Group Ltd (**OSY**) are now conducting 21 trials of their shelf-life extension products and technologies in twelve countries, across four continents and involving a diverse range of customers, including supermarket chains, food producers, packaging companies and exporters

In a further significant development, where the earlier trials were focused predominantly on soft fruits, that focus has now broadened substantially to include trials involving other fruits and vegetables, meat, fish, poultry, bread, ready-meals and fresh flowers.

In addition to the above, many more companies are engaged with either Zoono and/or OSY on the technology, with discussions ranging from early-stage engagement through detailed discovery to in-store trials and contract negotiations.

The level of interest demonstrated across the different geographies and product categories is extremely positive and validates Zoono's belief in its products, coupled with OSY's technology, as a way of tackling the global problem of how to reduce food waste. It is also very encouraging of the potential future longer-term revenue streams available to the Company from this niche market.

Please also refer to the following article.

<https://spnews.com/global-ambitions/>

Other initiatives

As is evident in the increase in quarterly cash receipts, Zoono is also making some progress in its target Asian markets of China, India and Japan. One example is the Q1 FY25 orders of NZ\$202K placed by a large Japanese pharmaceutical company for product which will ultimately be used in the textile industry. This is expected to be ongoing business.

Another example is an order into Australia, into the farming sector. This is expected to be ongoing business.

Working capital

With the lower operating overheads, improved sales revenues in Q1 FY25 and the potential for sales of its shelf-life extension products starting in Q2 or Q3 FY25, the Company is confident that it has sufficient working capital to fund its existing business development plans and return the Company to profitability.

Summary of Q3 Expenditure

Related party payments of \$118,000 shown on the following Appendix 4C were directors' fees (including amounts paid to the executive director) for services rendered.

Expenditure incurred during the quarter on business activities was primarily on staff costs (NZ\$131K), product manufacturing (NZ\$105K) and administration and corporate overheads (NZ\$678K). Other material expenditure included advertising and marketing (NZ\$20K) and interest and research and development (NZ\$13K).

For updates on what is happening globally on a day-to-day basis, follow Zoono

Global on:LinkedIn at: www.linkedin.com/company/zoono/

Facebook: <https://www.facebook.com/zoonoglobal>

Instagram: <https://www.instagram.com/zoonoglobal/>

Twitter: <https://twitter.com/zoonoGlobal>

YouTube: <https://www.youtube.com/channel/UCva7oGloBRdAaFnwOzAHjLw>

Newsletters: <https://zoono.com/newsandmedia/>

This announcement has been authorised and approved for release to ASX by the Board of ZoonoGroup Limited.

For further information, please contact:

Zoono Group Limited

Paul Hyslop

Group MD

M: +64 21 659 977

E: paul.hyslop@zoono.com

Paul Ravlich

Group CFO

M: +64 21 075 9176

E: paul.ravlich@zoono.com

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 mold 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 mold.

Zoono's products have received numerous regulatory approvals and Zoono'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

Appendix 4C

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

Name of entity

Zoono Group Limited (ZNO)

ABN

73 006 645 754

Quarter ended ("current quarter")

30 September 2024

Consolidated statement of cash flows	Current quarter \$NZ'000	Year to date (3 months) \$NZ'000
1. Cash flows from operating activities		
1.1 Receipts from customers	601	601
1.2 Payments for		
(a) research and development	(13)	(13)
(b) product manufacturing and operating costs	(105)	(105)
(c) advertising and marketing	(20)	(20)
(d) leased assets	-	-
(e) staff costs	(131)	(131)
(f) administration and corporate costs	(678)	(678)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	(2)	(2)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(346)	(346)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$NZ'000	Year to date (3 months) \$NZ'000
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)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	38	38
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	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings and leases	(85)	(85)
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	(47)	(47)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,961	1,961
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(346)	(346)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

Consolidated statement of cash flows		Current quarter \$NZ'000	Year to date (3 months) \$NZ'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(47)	(47)
4.5	Effect of movement in exchange rates on cash held	(8)	(8)
4.6	Cash and cash equivalents at end of period	1,560	1,560

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 \$NZ'000	Previous quarter \$NZ'000
5.1	Bank balances	410	410
5.2	Call deposits	1,150	1,150
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)	1,560	1,560

6.	Payments to related parties of the entity and their associates	Current quarter \$NZ'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	118
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7. Financing facilities <i>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.</i>	Total facility amount at quarter end \$NZ'000	Amount drawn at quarter end \$NZ'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
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.		

8. Estimated cash available for future operating activities	\$NZ'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(346)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,560
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	1,560
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	4.51
<i>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.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 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:	
8.6.2 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:	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	
<i>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.</i>	

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies

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

which comply with Listing Rule 19.11A.

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

Date: 3 October 2024

The Board of Zoono Group Limited

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.