

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

16th December 2020

Company Update

Highlights:

- **Further testing in the UAE reconfirms Zoono surface spray efficacy at 30 days**
- **Two new distribution/supply agreements signed**
- **Combined revenue targets are for NZ\$23.0m for year 1, NZ\$31.0m for year 2 and NZ\$39.95m for year three**
- **Regulatory approvals received for Russia**
- **New Zoono treated face mask launched**

Zoono Group Limited (Zoono) (ASX: ZNO) is pleased to update the market on developments worldwide, including some large sales and distribution agreements.

Middle East and Africa (MENA)

The Dubai Central Laboratory Department recently undertook testing on Zoono's Z-71 Microbe Shield Surface Sanitiser. "Based on the test conducted it has been observed that there is a complete reduction of test bacteria (99.9%) on all provided material surfaces till 30 days from the initial coating of Zoono Z-71 Microbe Shield Surface Sanitizer and Protectant except in Rubber and Wood surface. The rubber and wood surface has some viable growth on 30th day with a reduction of 90% test bacteria."¹

Additional testing undertaken by Intertek Caleb Brett in Dubai found a 100% reduction between the slide control recovery level and Zoono Z-71 recovery level at 24 hours, 7 days and 30 days.²

These test results from Dubai Central Laboratory Department and Interek were previously announced in the 29 October 2020 announcement and are available on ZNO's website.

Following this comprehensive testing, Zoono has now received the Emirates Authority for Standardisation and Metrology (ESMA) Certificate of Conformity for Zoono Microbe Shield Surface approving the use of the 30-day efficacy of Zoono against a wide range of germs when applied in many types of services. The ESMA is the UAE regulatory authority that governs certification of certain regulated products that are

¹ Remarks from the Antimicrobial Coating Effectiveness Longevity Test Report Document reference DM-DCLD-F-CP-2161 from the Dubai Central Laboratory Department.

² Report No. AE 110 11931/20

sold in the UAE, verifying them against their National Standards. Certificates of Conformity are issued for products that comply that comply with their regulations.

With the local certification, Zoono has entered into a supply agreement with Fine Hygienic Paper LLC, a FMCG business based in the UAE and has received the initial NZ\$1.5 million deposit against the first-year purchases.

Zoono's agreement with Fine Hygienic Paper allows them to develop and sell their own label products utilising Zoono Antimicrobial Technology into their 70-country network around the globe.

Major Terms of the Fine Hygienic Paper LLC Agreement:

- An initial five-year term;
- Minimum annual performance target³ volumes of:
 - First 12 months from commencement of NZ\$21.5m;
 - Second 12-month period NZ\$28.5m;
 - Third 12-month period NZ\$35.7m;
 - Year four is annual increases of 5% from year three total numbers;
- Either party may terminate the agreement with immediate effect for breach or insolvency.

In addition, Zoono has rights to terminate if there is a material change of control of Fine Hygienic Paper or it fails to achieve its minimum annual performance requirements.

Zoono Russia

Zoono has been advised that all regulatory approvals for use of its products in Russia have now been received and Zoono Microbe Shield and Zoono Hand Alcohol Free Sanitiser GermFree24 have passed all local Russian laboratory testing, re-substantiating its efficacy and longevity against a variety of pathogens.

Following receipt of the approvals and successful laboratory results, Zoono has received its first order for Russia from ECO-SALUS LLC, a Russian hygiene services company, for NZ\$529,000. An initial deposit of NZ\$70,000 has been received against the first-year purchases.

Major Terms of the ECO-SALUS LLC Agreement:

- An initial three-year term;
- Minimum annual performance volumes under the agreement are:
 - First 12 months from commencement of NZ\$1.5m;

³ Minimum annual performance targets are set by the contracting party. They are the contracting party's forecast numbers. There is no guarantee that these targets will be met.

- Second 12-month period NZ\$2.5m;
- Third 12-month period NZ\$4.25m; and
- Fourth 12-month period NZ\$5m.

This is an exclusive agreement for Russia. It includes Zoono's usual termination clauses for not achieving minimums, or insolvency.

New Product

Zoono has launched a new product, further diversifying its range of antimicrobial products. The new product is a face mask treated with Zoono⁴, protecting the wearer from pathogens over a period of time.

The Company continues to work with its globally recognised customers and distributors developing new products to assist them protect their staff, customers and communities from pathogens and infection; keeping them healthy and safe and minimising absenteeism.

Looking Forward

Zoono believes the introduction of a vaccine will be good for the global Zoono business as people and industry will start functioning normally again. A vaccine does not solve 100% of the problem and Zoono believes its technology combined with vaccines will play an important part in the world emerging from lock downs and returning to the new normal. In particular, there is a much-heightened awareness now of the importance of surface and hand hygiene and long-term surface protection.

Companies and businesses now have a responsibility to protect its customers and staff from possible contaminations and Zoono can assist in companies fulfilling these obligations.

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

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⁴ Regulatory approvals are not required for Zoono's face masks.

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