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

Results Presentation

Half-Year ended 31 December

2020

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Financial Information

Zoono Group Limited

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Financial Information



1.1 Business Highlights – Half-Year 31 December 2020

Strong FY21 Half-Year financial performance & high operating margins achieved with low overheads (orders of NZ\$7.1m in December if shipped revenue would have been NZ\$21.5m)

Revenue (Group)

- **Total Revenue: NZ\$14.4m** (FY20: NZD\$1.7m) + NZ\$12.7m improvement +741% increase vs. FY19

EBITDA (Group)

- **Operating EBITDA: NZ\$2.9m** (FY:20 NZ\$(0.7m)) + NZ\$3.6m improvement +541% increase vs. FY19
- **Inventory: NZ\$14.3m** increase of NZ\$14.0m over FY20

Consolidated Profit & Loss (NZ\$m)	Actual FY21	Actual FY20	FY21 vs. FY20 %
Revenue			
Revenue - Total	14.4	1.7	741%
Gross Profit	8.5	0.9	854%
<i>Margin (%)</i>	<i>59.1%</i>	<i>52.1%</i>	
<i>+ 7.0% improvement</i>			
EBITDA			
EBITDA (Operating) - Total	2.9	(0.7)	541%
<i>Margin (%)</i>	<i>20.1%</i>	<i>(38.2)%</i>	

- **Group Revenue: NZ\$14.4m** (+741% vs. FY19)
- **Group Operating EBITDA: NZ\$2.9m** (+541% vs. FY20)
- **NPAT: NZ\$1.9m** (+362% vs. FY20)
- **EPS (NZ\$): 1.16 cents per share (FY20 (0.45) cents per share))**
- **Dividend: NZ\$3.1 cents per share**
- **Net assets: \$18.0m** (sufficient balance sheet capacity to fund organic growth)

1.2 Financial Summary – Consolidated Balance Sheet Half-Year

Strong balance sheet - sufficient capacity to fund growth

Balance Sheet (31 December-20)

- Net assets: NZ\$18.0m (FY20: \$3.2m) + NZ\$14.8m improvement
- Net cash: NZ\$7.3m (FY20: \$2.7m) + NZ\$4.6m improvement
 - Gross cash: NZ\$7.3m (FY20: \$2.7m) + NZ\$4.6m improvement

Capital Efficiency Metrics

- ROA: 9.9% (FY20 (14.2)%)
- ROE: 10.6% (FY20 (22.8)%)
- NTA: NZ\$12.4m (FY20 NZ\$ 3.1m)
- NTA per Share (NZ\$): 8.0 cents per share (FY20 2.0 cents per share)
- EPS (NZ\$): 1.17 cents per share (+361% vs. FY20)
- EPS (NZ\$ diluted) : 1.15 cents per share (+350% vs. FY20)

Earnings Per Share	Dec-20	Dec-19
Earnings per Share (EPS)		
NPAT Attributable to Shareholders (NZ\$m)	1.9	(0.7)
Weighted Average Ordinary Shares (m)	163.6	163.1
Weighted Average Ordinary Shares diluted (m)	165.6	163.1

Earnings Per Share	1.17 cents	(0.45) cents
Earnings Per Share Diluted	1.15 cents	(0.45) cents

Balance Sheet (NZ\$m)	Actual Dec-20	Actual Dec-19
Total Assets	33.7	4.5
Net Assets	18.0	3.2
Cash	7.3	2.7
Debt (3rd Party)	0.0	(0.0)
Net Cash / (Debt)	7.3	2.7

Capital Efficiency Metrics (NZ\$m)	Actual Dec-20	Actual Dec-19
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Return on Assets (ROA)

NPAT Attributable to Shareholders	1.9	(0.7)
Total Assets	33.7	4.5

Return on Equity (ROE)

NPAT Attributable to Shareholders	1.9	(0.7)
Shareholder Funds	18.0	3.2

Net Tangible Assets (NTA)

Total Assets	33.7	4.5
Intangible Assets	5.5	0.05
Total Liabilities	15.7	1.3

Net Tangible Asset per Share (NTA per Share)

Total Assets	33.7	4.5
Intangible Assets	5.5	0.05
Total Liabilities	15.7	1.3
Weighted Average Ordinary Shares (m's)	163.6	163.1

1.3 Financial Summary – Cash Flow & Working Capital

Strong operating cash inflow despite tax payment of NZ\$2.5m compared to prior corresponding period

Working Capital 31 December-20

- Working capital is actively managed with strong focus on cash flow.
- Huge investment in inventory of NZ\$14.3m to supply customers relatively quickly.
- Majority of customers are 50% cash upfront on placing orders and 50% prior to delivery with terms for the rest.
- Dividends of NZ\$5.1m and Tax payment of NZ\$2.5m reduced cash balance at half-year.
- Low capital intensive business.
- No external bank debt

Cash inflow / (outflow) from Operating Activities (NZ\$m)	Actual Dec-20	Actual Dec-19
Net cash provided / (used in) operating activities	3.6	(0.4)
Cash outflow from Investing Activities (NZ\$m)	Actual Dec-20	Actual Dec-19
Net cash used in investing activities	(0.7)	(0.0)
Cash inflow / (outflow) from Financing Activities (NZ\$m)	Actual Dec-20	Actual Dec-19
Net cash provided / (used in) financing activities	(5.08)	(0.044)
Net increase / (decrease) in cash and cash equivalents held	(2.16)	(0.44)
Total effects on foreign exchange	(0.87)	(0.021)
Cash and cash equivalents at beginning of year	10.3	3.1
Cash and Cash Equivalents at Half-Year	7.3	2.7

1.4 Key Metrics – Revenues Half-Year FY21

Group Revenues:

- B2B NZ\$11.6m 81%
- B2C NZ\$2.2m 15%
- Animal Health NZ\$0.6m 4% (Orders in Dec of NZ\$0.5m and Jan NZ\$0.4m not yet shipped)
- **Total NZ\$14.4m 100%**



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