

Z E G A

INTELLIGENT
COOKWARE



Preference Share Offer
February 2020

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Z E G A

Over the past 15 years our team has developed and manufactured over 20 million consumer products for some of the world's largest brands.

We co-developed the original Magic Bullet blender and went on to manufacture and supply over 5 million units for the US and global markets. It's successor, the NutriBullet, has sold over 15 million units.

Over the past 2 years, we have applied our industry knowledge, experience and proven track record to design and develop our latest product offering - a patent-protected, app-enabled, intelligent walkaway-cookware product called Zega.

This exciting new invention makes life easier in the kitchen, uses less energy and creates healthier, more nutritious meals.

We are now raising capital to be deployed toward manufacturing, marketing & distributing Zega as we work toward an exit of the business in 3 to 5 years.

I'd now like to invite you to join us as we leverage our extensive experience and industry networks to commercialise this exciting new product.

Brendan Dunne

Founder



EXECUTIVE SUMMARY

Zega is new, patent-protected, app-enabled, walkaway cookware

Zega is new, patent-protected, app-enabled, walkaway cookware

& distributing Zega globally with a target market launch in March 2020

After 2 years of R&D and IP development, the product is ready to ship to distributors world-wide

Zega is forecast to generate ~AUD2M in 2020 and an aggregate gross revenue of \$23M by FY22 and be well positioned as a potential acquisition target in 3-4 years

Zega is raising AUD550k through the issue of Preference Shares offering 15% p.a. interest paid monthly

Recent acquisitions in the global housewares sector indicate valuations of 3-6 x Revenue which would value Zega by end FY22 at between \$37M & \$74M

This capital will be deployed towards manufacturing, marketing

TRACK RECORD

Our team has developed and manufactured over 20 million consumer products for some of the world's largest brands including:

Joseph[®]
Joseph

ALESSI



Silit

guzzini[®]

Jamie
Oliver



Füri[®]

Gillette[™]

FACKELMANN[®]



COLE & MASON
ENGLAND

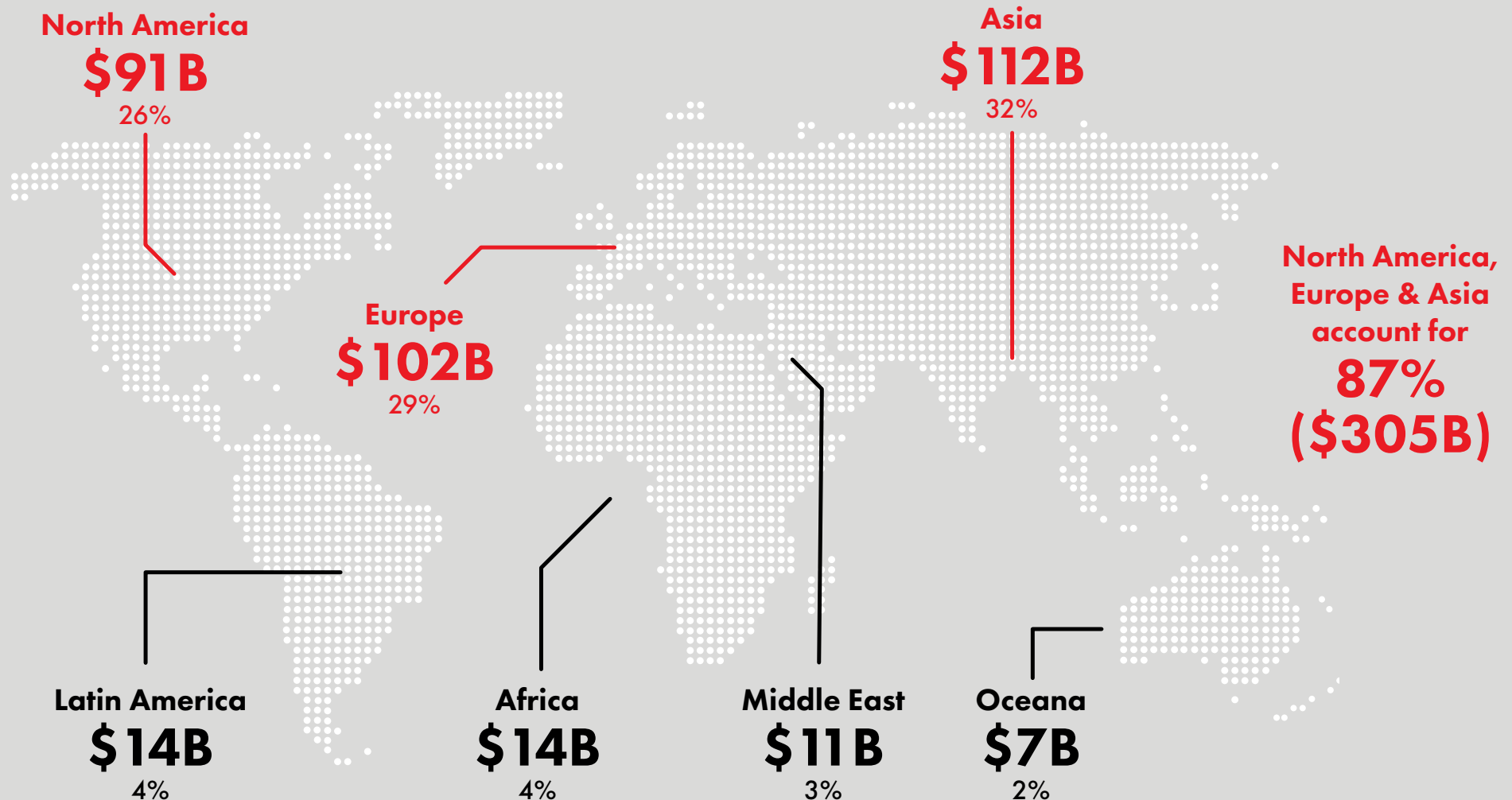


WMF



GLOBAL HOUSEWARES MARKET

USD355B & growing @4% pa*



Top 3 Product Categories - Cookware & Bakeware (16.8%); Kitchen tools & accessories (13.2%); Kitchen Electrics (12.2%)

*International Housewares Association, International Labour Organisation & US Bureau of Statistics

MAKING LIFE EASIER

Zega, the intelligent choice

Zega is smart, app-enabled, walkaway cookware that does the cooking for you.

Its patented double wall thermal insulated design and SmartControl technology heats in minutes and continues to cook safely for hours off the stove

Simply turn on the stove, add your ingredients per the recipe and when it reaches the required temperature, switch off the stove and walk away

Your food continues to cook off the stove, without gas or electricity, and then stays hot for hours. You return later to a nutritious, home-cooked meal that is ready to eat.

With the Zega App, you can choose from hundreds of recipes and remotely monitor your cooking so you're no longer a slave to the kitchen.

Of course Zega also functions as conventional cookware when required, is compatible with all stove types, is highly energy efficient and looks great.



HOW ZEGA WORKS

Zega is smart, app-enabled, walkaway cookware that does the cooking for you

1

Place ingredients
in Zega & switch
on stove



2

When it heats
up, switch off
the stove
& walk away



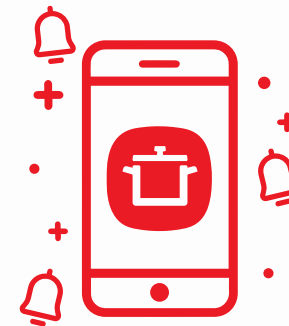
3

Your food
continues to
cook without
heat



4

Zega App alerts
you when your
food is done



5

You return later
to a healthy,
nutritious,
home-cooked
meal that is
ready to eat





WALKAWAY COOKWARE

Zega builds on historical success in a proven category

1975

The first double-walled cookware was launched under the Durotherm® brand by Kuhn Rikon of Switzerland. Although expensive (~AUD500) and limited in its functionality, Durotherm remains popular to this day having been in production for over 40 years.

1998

The first generation 'walkaway' cookware called Aircore was launched in the US. It came with a printed booklet containing a limited number of recipes with cooking instructions. Marketed via a successful direct response television campaign run by e4L Inc. (under the leadership of Brendan Dunne who was Director of Brand & Product Development) it achieved USD73 million in sales over the first two years.

Later, two other brand owners, Hy-Cite & Innova, launched copycat products in the US generating an estimated additional revenue of approx. \$600M over 9 years before exiting the market in 2013.

2019

Zega takes walkaway cookware to the next level, there is no competitor product on the market offering the same ingenuity, functionality or price point as Zega.

This presents a significant opportunity for Zega to enter, revitalise and dominate this market segment.

ZEGA
INTELLIGENT
COOKWARE

THE ZEGA ADVANTAGE



Walkaway cooking

heats in minutes, cooks for hours,
spend less time in the kitchen



Healthier meals

cooks gently retaining food's nutritional
value better than traditional cooking



Cooks entire meals at once

smart inserts allow you to cook meat
& steam vegetables at the same time



Energy saving

after heating, it requires no additional
energy so you save on gas and electricity



Keeps food hot for hours

great for family members who
come home at different times



Easy clean up

no scorching, sticking or burning



Zega App™

choose from hundreds of recipes
and remotely monitor your cooking



Cooks without stirring or tending

worry free cooking



Lifetime warranty

restaurant quality, built to last

PRODUCT COMPARISON

Zega has significant advantages over conventional cookware

Feature	Conventional cookware	Zega
Traditional cooking	✓	✓
Walkaway cooking - heats in minutes, cooks for hours	✗	✓
Spend 80% less time in the kitchen	✗	✓
Double-wall, thermal construction	✗	✓
Self cooks off the stove - save up to 60% on your energy bill	✗	✓
Keeps food hot for hours off the stove	✗	✓
Remotely monitor your cooking via Zega App	✗	✓
Access hundreds of recipes from the Zega App recipe library	✗	✓
Best conventional cookware you will ever own	✗	✓

CURRENT STATUS

Ready to build and sell

Current status

2017

2018

2019

2020

DESIGN & DEVELOPMENT

R&D and product design completed
Factory / suppliers secured
Production engineering completed
App designed & prototyped
IP strategy developed & implemented

BUILD

Tooling & factory set-up
Initial production
Sales samples
App platform & content
Initial market approaches

SELL

Distribution deals in place
Market launch
Mass production

MARKET APPROACH

Integrated, omni-channel, sales & distribution model

Zega's initial market approach will primarily be through appointed/licensed housewares distributors in key global markets.

Z E G A

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COOKWARE



Retailers

department stores
specialty housewares stores
warehouse clubs
home improvement stores



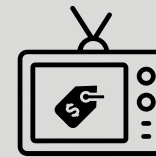
Distributors

licensed housewares
distributors



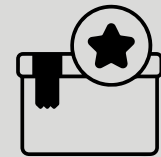
Direct-to-customer

e-commerce
mail order



DRTV

TV sales
home shopping channels



Exclusives

unique packaging for specific
markets & customers

TARGET RETAIL OUTLETS

Where could I buy Zega?



MARKETING SUPPORT

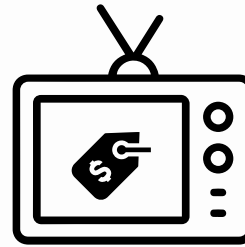
Zega will provide strong marketing support across all key channels



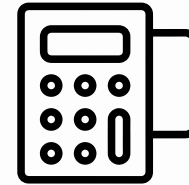
social media



web



DRTV



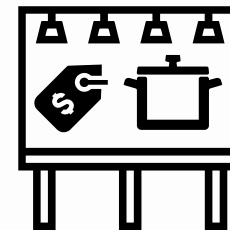
POS



PR / media



trade fair



advertising

INTELLECTUAL PROPERTY (IP)

Global IP strategy led by

Bird & Bird

In conjunction with Bird & Bird, we are implementing a global IP strategy to proactively safeguard our vital assets in major target markets.

Currently, Zega is covered by the following intellectual property filings:

Patents pending

Hong Kong Utility Patent Application
No. 18113121.5

Hong Kong Utility Patent Application
No. 19100744.8

China Utility Patent Application

PCT International Utility Patent Applications (Aug
2019)

Trademarks

United States Patent & Trademark Office (USPTO)

trademark application 88264932

Australian Trade Mark Application 1983249

Domain names

www.zega.com.au

www.zegahome.com

www.zegacooking.com

www.zegakitchen.com

Note: there is potential for additional application of our IP in other product categories beyond cookware.



STRATEGIC PRIORITIES



**Patents
registered**



**Tooling &
factory set-up**



**App & content
completed**



**Distribution
deals secured
in key markets**

2019 OCT NOV DEC JAN FEB MARCH APRIL 2020



**Initial market
approaches**



**Initial production
and sale samples**



**Market
launch**

USE OF CAPITAL

Zega is raising AUD550k to be deployed toward the following key activities during 2010

1

**Intellectual
property
protection**

2

**Manufacturing
of the initial
production run**

3

**Marketing
support**

4

**Hiring of key
executive and
operational staff**

Following this raise, we expect the business to require no further funding and to be sufficiently capitalised to execute its business plan.

KEY INVESTMENT DETAILS

Target

AUD 550,000

Exit

Likely to be via trade sale in 3-5 years

Type of Shares

**Redeemable Preference Shares
with cumulative dividend
of 15% p.a. paid monthly,
repayable in 12 months**

Close date

28th February 2020



EXIT STRATEGY

Exit Strategy & Forecast Return

Over the next 3 years, we forecast an aggregate gross revenue of \$23M with an EBITA of \$3.6M.

In FY22, Zega is forecasting an aggregate gross revenue of \$12.4M and net profit of \$2.5M, representing a net profit of 20%.

Based on these forecasts, Zega will be well positioned as a potential acquisition target for any number of private equity firms with a focus on consumer goods brands as well as homewares and consumer goods multinationals.

Recent acquisitions in the international housewares sector indicate valuations of 3-5x Revenue. On that basis, Zega's value by end FY22 will be between \$37M and \$74M.



RECENT HOUSEWARES M&A EXAMPLES

Anova

www.anovaculinary.com

- Launched in 2013
- Sales of USD40 million in 2016
- Acquired in 2017 by Electrolux at 4-6 x revenue multiple
- \$115 million cash at acquisition with potential for an additional \$135 million depending on future financial performance

Hydro Flask

www.hydroflask.com

- Launched in 2009
- Sales of USD65 million in 2016
- Acquired in 2016 by Helen of Troy at 3 x revenue / ~12 x EBITA multiple
- \$210 million cash at acquisition

Contigo

www.gocontigo.com

- Launched in 1999
- Sales of \$125m in 2014
- Acquired in 2014 by Newell
- Rubbermaid at 2.5 x revenue
- \$308 million cash at acquisition

Happycall

www.happycall.kr

- Launched in 1999
- Sales of USD118 million in 2016
- Acquired in 2016 by Goldman Sachs/Eastbridge at ~ 12 x EBITA
- \$161 million cash at acquisition

FOUNDERS & MANAGEMENT

Strong, capable & experienced



Brendan Dunne

Technology & Product Development

Brendan brings 20 years' experience in developing & manufacturing household consumer goods for the world's largest brand owners, retailers and innovators.

In 2004 he co-founded Product Works and prior to this held leadership roles at e4L, Inc, a NYSE-listed consumer goods company and QVC, Inc. the global leader in TV retailing.



Brian Mooney

Sales & Marketing

Brian is an experienced business consultant, advisory board member and senior executive based in Sydney, Australia.

He has held a variety of executive leadership roles at large corporations including the Sydney 2000 Olympics Organising Committee, Eli Lilly, Ericsson & Apple.

Brian has co-founded several start-ups, some of which he has successfully exited and he remains actively involved in others.



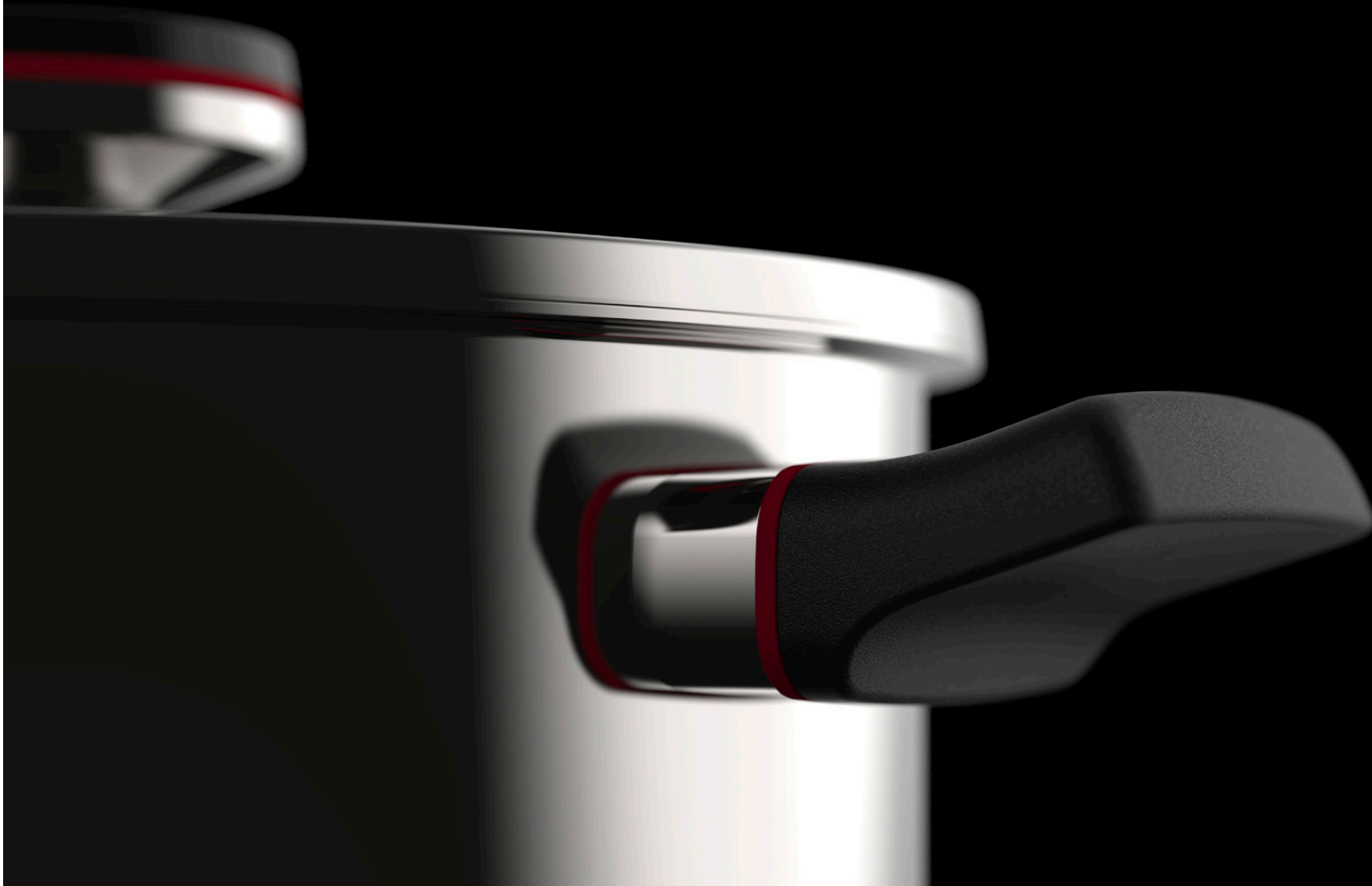
Con Dunne

Finance & Operations

Con is an experienced executive with proven ability to deliver key financial results and operational performance in a broad range of business ventures.

In 2004 he co-founded Product Works and prior to this was Group General Manager for Imperium Capital & Private Equity in Melbourne and Director of Operations of J. Boag & Son Hospitality.

PRODUCT OVERVIEW



PATENTED CONSTRUCTION

Zega features a patented double wall thermal insulated design. Like a Thermos, it retains heat for hours allowing food to self cook off the stove

5-ply stainless steel and aluminium base enables fast and even heat distribution for superior cooking



COOK WITH CONFIDENCE

Intelligent SmartControl technology

Zega Intelligent Cookware incorporates state of the art technology including a high precision digital thermometer, powerful microprocessor, Bluetooth connectivity and an elegant LED display, all of which ensures your food is cooked perfectly every time



ZEGA SYSTEM



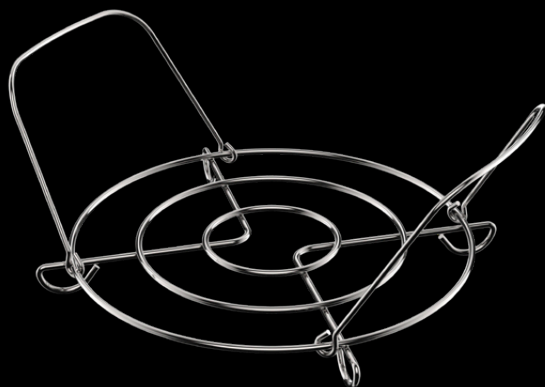
digital SmartControl knob



charging dock



SmartControl knob



elevated meat rack



steamer / grater



charging cable

PACKAGING

Sophisticated and engaging

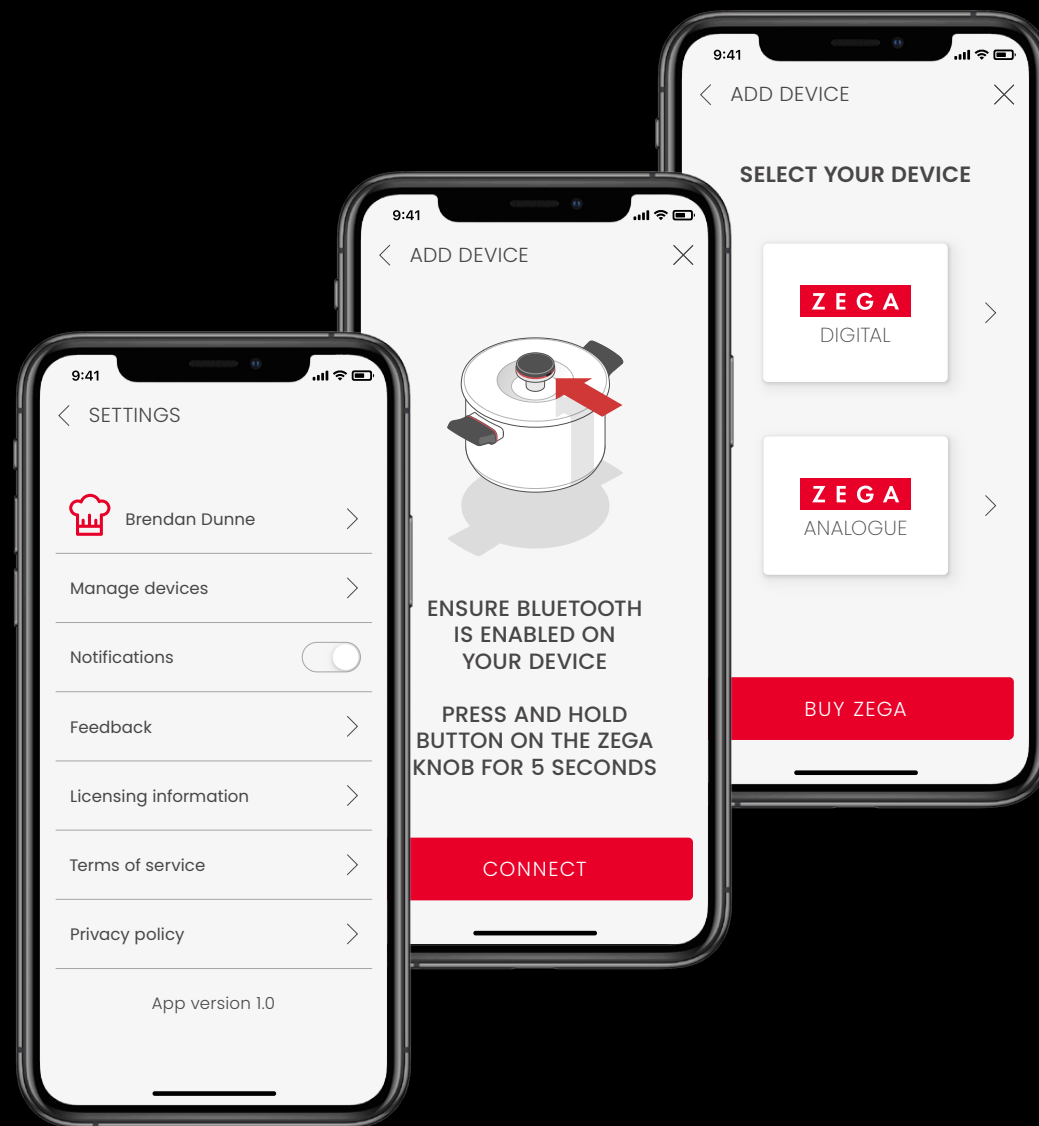


SmartControl

Zega App functionality



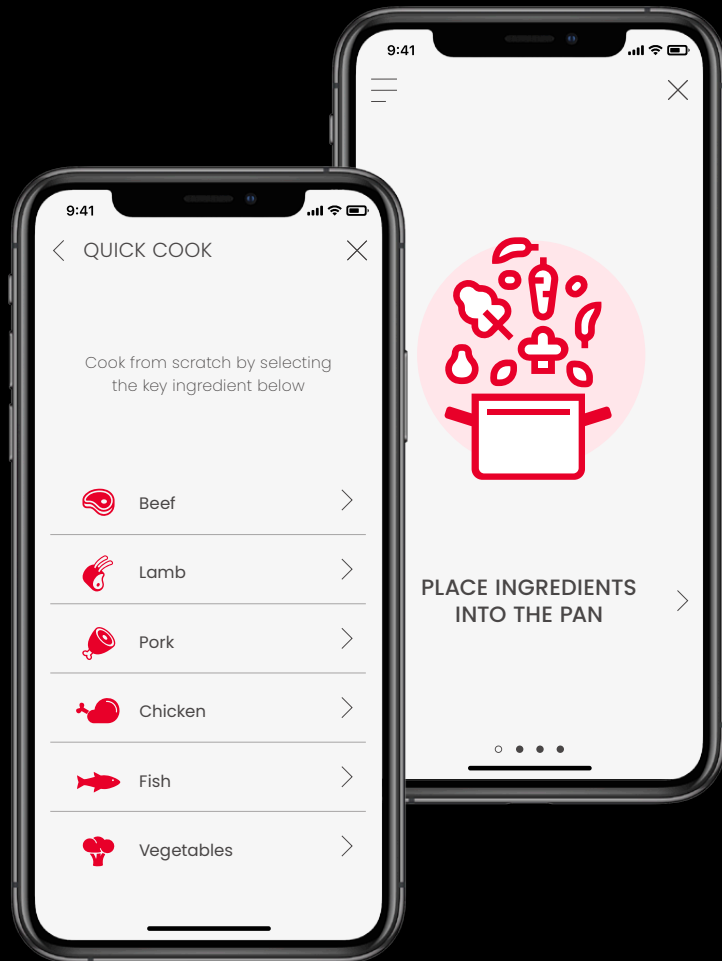
Home Menu



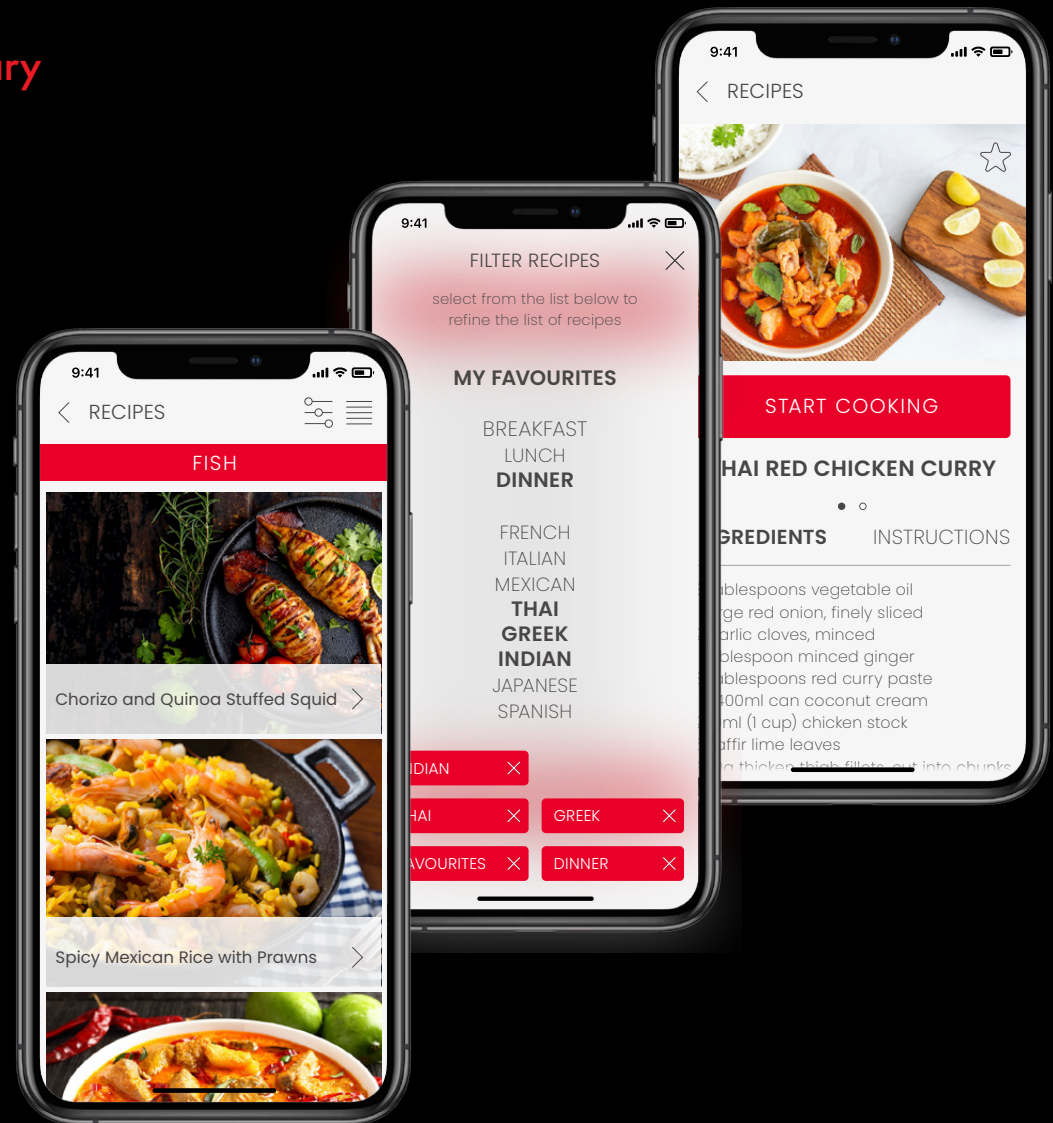
Help & Settings

SmartControl

Quick Cook or choose from Zega App recipe library



Quick Cook

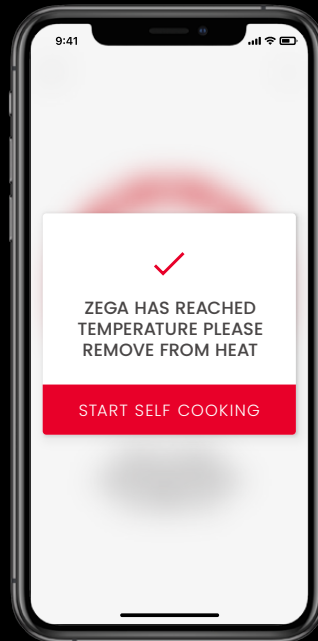


Choose from hundreds of recipes

SmartControl

Remotely monitor your Zega

Zega App

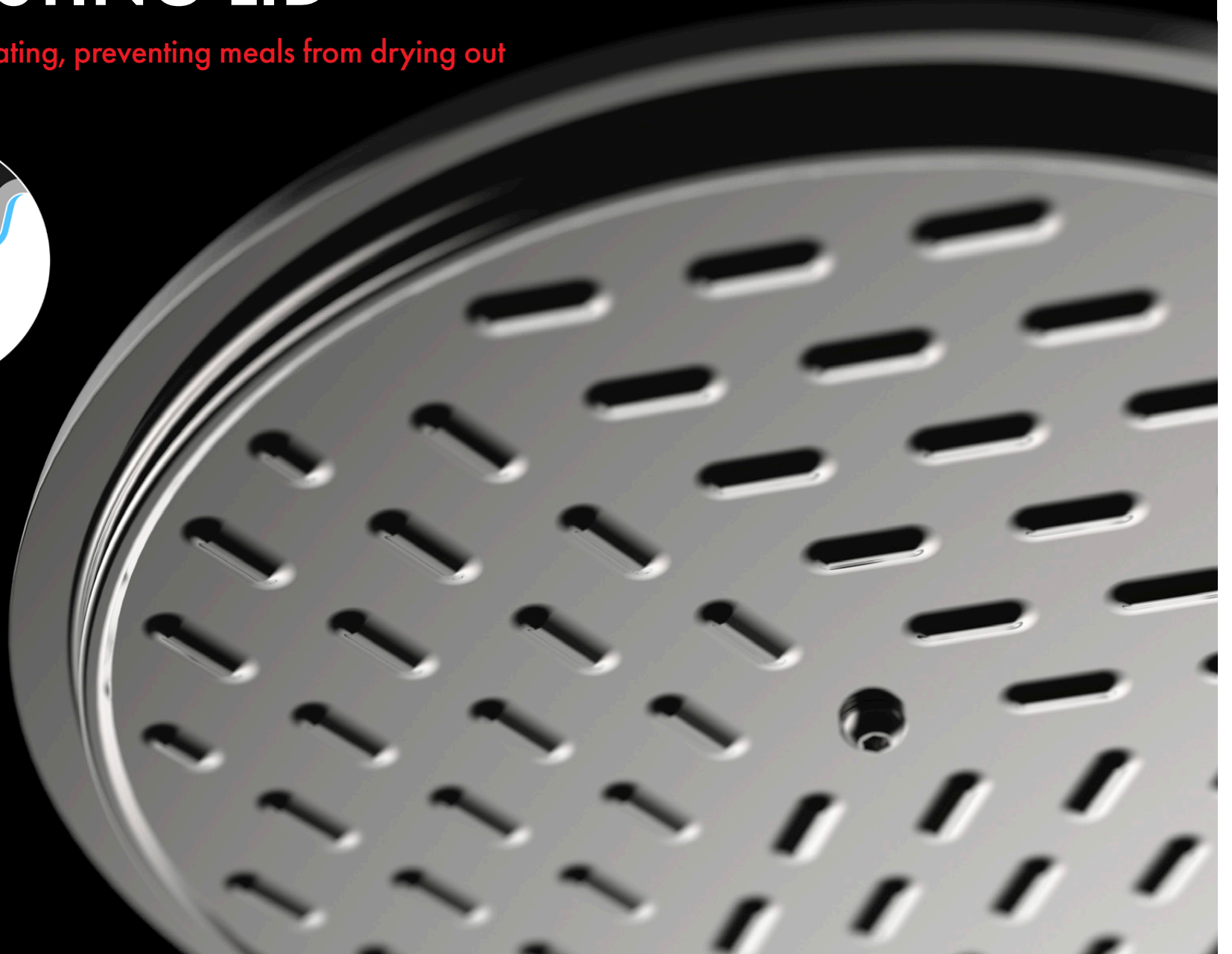


SmartControl knob



SELF-BASTING LID

Keeps moisture circulating, preventing meals from drying out



STEAMER / GRATER

Cook entire meals at once with the included steamer / grater





THANK YOU

For further information please contact

Brendan Dunne

+852 9829 9829

brendan@zegacookware.com

Brian Mooney

+61 419 750 322

brian@zegacookware.com

www.zegacookware.com