



ZK International Group Co., Ltd.

Investor Presentation
August 2017

Safe Harbor Statement



This presentation includes statements that are, or may be deemed, “forward-looking statements.” In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes,” “estimates,” “anticipates,” “expects,” “plans,” “intends,” “may,” “could,” “might,” “will,” “should,” “approximately,” “potential” or, in each case, their negative or other variations thereon or comparable terminology, although not all forward-looking statements contain these words. By their nature, forward-looking statements involve risks and uncertainties because they relate to events, competitive dynamics, and healthcare, regulatory and scientific developments and depend on the economic circumstances that may or may not occur in the future or may occur on longer or shorter timelines than anticipated. Although we believe that we have a reasonable basis for each forward-looking statement contained in this presentation, we caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate may differ materially from the forward looking statements contained in this presentation, as a result of, among other factors, the factors referenced in the “Risk Factors” section of our Form F-1 filed with the Securities and Exchange Commission. In addition, even if our results of operations, financial condition and liquidity, and the development of the industry in which we operate are consistent with the forward-looking statements contained in this presentation, they may not be predictive of results or developments in future periods. Any forward-looking statements that we make in this presentation speak only as of the date of such statement, and we undertake no obligation to update such statements to reflect events or circumstances after the date of this presentation. You should read carefully our “Cautionary Note Regarding Forward-Looking Information “ and the factors described in the “Risk Factors” section of our Form F-1.

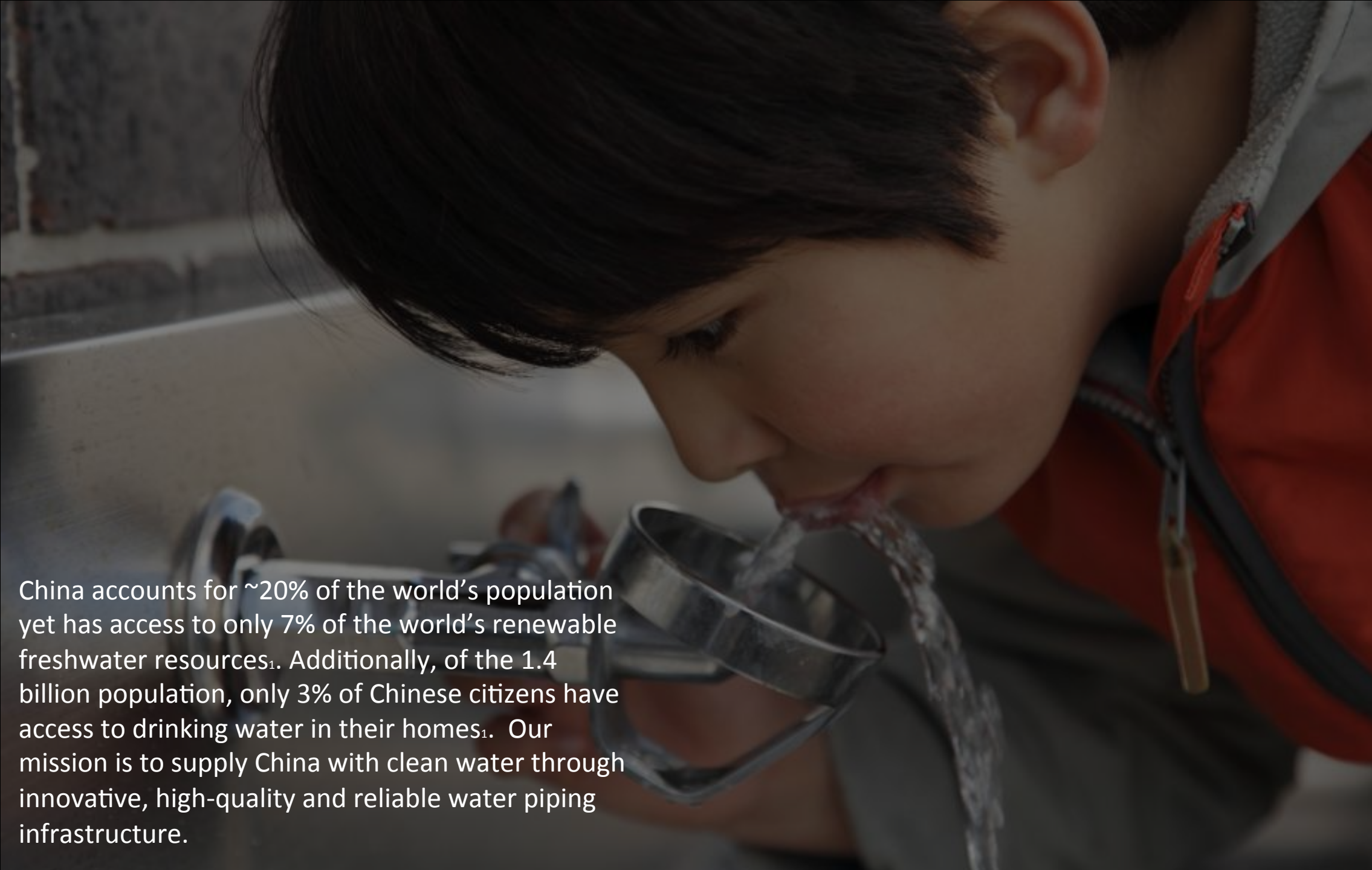
Free Writing Prospectus



This free writing prospectus relates to the proposed initial public offering of ordinary shares of ZK International Group Co., Ltd. (the “Company”) that is being registered on a Registration Statement on Form S-1 (No. 333-218198) (the “Registration Statement”) and should be read together with the statutory prospectus dated July 7, 2017, which can be accessed through the following link:

<https://www.sec.gov/Archives/edgar/data/1687451/000114420417036079/0001144204-17-036079-index.htm>

The Company has filed the Registration Statement and the statutory prospectus with the SEC for the offering to which this communication relates. Before you invest, you should carefully read the prospectus in that Registration Statement and the statutory prospectus, any later-dated prospectus relating to the offering and all related exhibits to the Registration Statement for more complete information about the Company and this offering. You may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, the Company, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by emailing Boustead Securities LLC, at angela@boustead1828.com.



China accounts for ~20% of the world's population yet has access to only 7% of the world's renewable freshwater resources¹. Additionally, of the 1.4 billion population, only 3% of Chinese citizens have access to drinking water in their homes¹. Our mission is to supply China with clean water through innovative, high-quality and reliable water piping infrastructure.

Company Overview



- Manufacturer and designer of high-performance stainless steel piping and fittings for the water and gas distribution sector.
- Provides systemic solutions to construction projects that require sophisticated piping systems predominately in China, while supplying some international markets.
- Work closely with urban planners and real estate developers to offer sophisticated pipe and fitting products as well as engineering expertise.
- Bring communities reliable and durable gas and water transmission systems.
- 28 innovation, utility and design patents as well as nationally recognized for innovation.
- 2016 Revenue: \$36.8M, Net income: \$5.3M

Why Shift to Stainless Steel Piping?



In some developed countries, stainless steel has widely been accepted as the best material for drinking water piping.

Advantage	Description
Strength	<ul style="list-style-type: none">• 1.5x stronger than PVC, 2-3x copper, 8-10x PPR
Anti-corrosion:	<ul style="list-style-type: none">• Highly corrosion resistant with 70+ years of service life vs. 10-20 years for traditional alternatives
Low water resistance:	<ul style="list-style-type: none">• 40% lower water resistance than that of carbon and copper piping• Reduces scale and bacterial deposits on the inner pipe wall improving overall quality and reducing the amount of electricity consumed by pump stations by 50% (provided that all downstream pipes are stainless steel)
Low leakage rate:	<ul style="list-style-type: none">• Benefitting from its high strength and anti-corrosion features, stainless steel pipes and fittings have extremely low leakage rates. In Tokyo, the usage of stainless steel decreased leakage from 20% in 1956 to 3% in 2010*
Recyclable:	<ul style="list-style-type: none">• Stainless steel is 100% recyclable, while plastic pipe can only be landfilled or incinerated, both causing pollution for the environment

* Pipeline Management in Tokyo – Measure for Leakage Prevention – Bureau of Waterworks, Tokyo Metropolitan Government - https://www.waterprofessionals.metro.tokyo.jp/pdf/pipeline_management_in_tokyo.pdf



28

Patents

- 3 Innovation Patents
- 20 Utility Patents
- 5 Design Patents

2

Technical Advancement Awards

- This award was awarded to two ZK's technical innovation
- Double Pressing Fittings
- Auto-lock fittings

10

National and Industry Standards Drafted

- Drafted 4 national pipe and fittings standards
- Drafted 6 industrial pipe and fittings standards

10,000

Specifications

- ZK produces fittings in various shapes and sizes, with more than 10,000 different specifications
- Patented carbon steel press fitting technology

10+

International Markets

- Products are sold to global market
- Doing OEM to multiple internationally recognized brands

1

Research Center

- ZK's research center is designated as the National Stainless Steel Pipe Connection Research Center
- It is also applying as the Provincial Stainless Steel Research Lab
- Collaborating with numerous research institutions

Urbanization of China



- China is home to 20% of the global population yet only has 7% of the world's freshwater resources.¹
- China is projected to move roughly 250 million people (more than the total U.S. urban population) into cities — some of which have not been built yet — within just the next 10-20 years.²
- This will bring total urban population to approximately 900 million people, or roughly 13% of the world's population.²
- In less than ten years, China will have almost one quarter of the world's 400 largest cities.²
- In addition to supporting urban growth, China will need to provide water for 400 million rural residents and meet the tremendous demands from agriculture, energy, and manufacturing sectors.³



¹ UN WATER Water and Energy Sustainability Available from: http://www.un.org/waterforlifedecade/pdf/01_2014_sustainability_eng.pdf

² The New York Times – “China’s Great Uprooting: Moving 250 Million into Cities”

³ The Nature Conservancy - <https://blog.nature.org/conservancy/2013/07/03/a-thirst-for-growth-fueling-chinas-urban-expansion/>

Clean Water is a Top Priority in China



- The seismic shift in population is having a significant impact on China's urban infrastructure.
- 61.5% of ground water and 28.8% of key rivers are classified as unfit for human contact.⁴
- Over 20% of water supply is so polluted that it cannot be used for industrial or agricultural use — much less for human consumption (a factor that, combined with air pollution, causes an estimated 6% reduction in annual GDP, according to the World Bank).⁴
- The Chinese Government has recognized this and has set aside \$610 billion, to spend on water infrastructure between 2011 – 2030.⁵
- In fact, one of the world's most costly capital projects is the \$68 billion North to South Water Diversion Project, which will link China's four main rivers via more than 1,800 miles of pipeline, and divert water from the south of China to population centers in the north.⁶

⁴ The Nature Conservancy - <https://blog.nature.org/conservancy/2013/07/03/a-thirst-for-growth-fueling-chinas-urban-expansion/>

⁴ According to the latest report from the Chinese Ministry of Environmental Protection

⁵ (REUTERS (2013) After China's multibillion dollar clean-up, water still unfit to drink Available from: <http://www.reuters.com/article/2013/02/20/us-china-pollution-water-idUSBRE91J19N20130220>

⁶ UN WATER Water and Energy Sustainability Available from: http://www.un.org/waterforlifedecade/pdf/01_2014_sustainability_eng.pdf

CO2 Reduction is Driving Natural Gas Infrastructure



- Considering the massive latent demand potential, China's growing inability to meet its own gas needs is one of the most important developments in any energy market.⁷
- China has over 4x the population of the U.S., but consumes just 25% of the natural gas. As regional markets become more integrated, the entire globalizing gas market will quake as China becomes more developed and starts to consume gas like the West.⁷
- Gas is China's fastest growing major fuel, with demand quadrupling in the past decade.⁸
- Gas is now about 6-7% of China's energy demand, double the market share in 2007 (China government seeks gas to be 10% of energy by 2020).⁸
- Cleaner, more efficient natural gas use is integral to China's 5-year plan (The 13th Five-Year Plan 2016-2020) which calls for the replacement of coal in non-power sectors either with natural gas and/or electricity. This is a very realistic and important evolution in China's energy demand structure because power generation, which is the desired and highest form of coal use, only accounts for 55% of China's coal use, compared to 95% in the U.S. today.⁸
- China's coal use is eroding air quality and making fuel switching from coal to natural gas more urgent but also easier.⁸



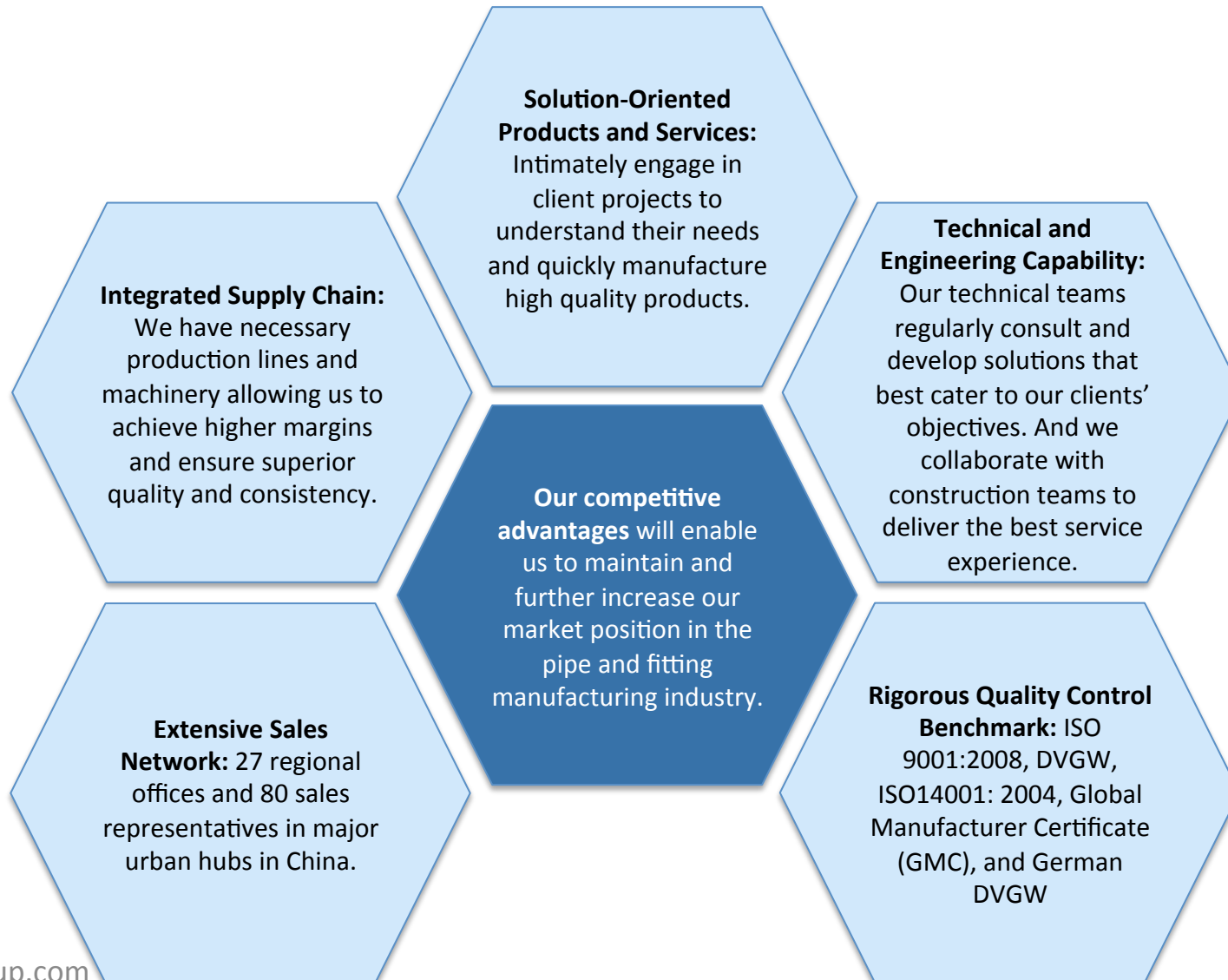
⁷ Sources: EIA; JTC - CO2 Reduction Plans Clearly Favor Natural Gas

⁸ Forbes – "China's Rising Natural Gas Demand, Pipelines, and LNG" – Source: EIA; JTC

Corporate Capabilities



正康国际
ZK INTERNATIONAL



Our Products



- Products consist of cold-rolled stainless steel strips, regular carbon and stainless steel pipe, light gauge stainless steel pipe, and connections and fittings
- Specifications of piping is tailored based on design of client's piping system architecture
- End users are provided environmentally-friendly and safe water and gas pipeline networks

Product	Description
Specialty Steel Strip:	<ul style="list-style-type: none">• Manufacture cold-rolled stainless steel strip for sale and for internal use in the production of pipes.• Ability to produce the stainless steel strip in-house allows us to ensure the quality and consistency of our pipe and fitting products.
Steel Pipe:	<ul style="list-style-type: none">• Produce high-quality carbon steel and stainless steel pipes primarily used in water and gas transmission systems.• Carbon steel pipes are generally stronger than stainless steel, and therefore are typically used in applications that require high-pressure resistance.• Stainless steel pipes, in contrast, are more corrosion resistant.
Light Gauge Stainless Steel Pipe (LGSSP):	<ul style="list-style-type: none">• LGSSP has 40% thinner walls than regular stainless steel pipes.• Without compromising safety performance, thinner pipe wall leads to a reduced manufacturing cost and weight and enhances installation flexibility due to its smaller size.• LGSSP is an affordable option for household plumbing systems that require easy installation.
Pipe Connections and Fittings:	<ul style="list-style-type: none">• Manufacture high-quality pipe connections and fittings that are used to connect pipes.• Pipe fittings have wide applications for any piping and plumbing systems in both industrial and commercial applications.

	Description
Engineering Consulting	<ul style="list-style-type: none">• We offer our clients our engineering experience on pipe design and construction that we accumulated from the past decade• We engage into client's project, understand the context, and are prepared to solve any problem
Pipe Deigning	<ul style="list-style-type: none">• We customize the pipe products to fit into client's project• Review pipeline blueprint and offer our suggestions on the materials and specifications
Installation Guidance	<ul style="list-style-type: none">• We assign representatives to the construction site and teach our client's workers the best practice to install our products• Our goal is to improve client's installation efficiency and quality, and set best practice standard for the industry
Testing	<ul style="list-style-type: none">• Provide various on-site testing techniques to ensure the installation quality• We were designated to establish the National Stainless Steel Connection Research Lab by National Water Supply and Drainage Association (NWSDA). We can qualified to conduct all tests under National Pipe & Fitting Standard

Our Products



正康国际
ZK INTERNATIONAL



**Connection
& Fitting
Products**



**Steel
Strip
Products**



**Pipe
Products**



Technical Application



正康国际
ZK INTERNATIONAL



**Residential
Water
Pipeline**



**Gas
Pipeline**



**Pharmaceutical
Pipeline**



**Food
&
Beverage
Pipeline**

Facility



正康国际
ZK INTERNATIONAL



Significant Projects



- We are proud to supply to some of the biggest national landmark construction projects in China.
- China Pavilion of Shanghai Expo, Beijing National Aquatics Center “The Water Cube”, Beijing National Stadium “The Bird’s Nest”, and Beijing International Airport.
- Thus far we have successfully supplied nearly 2,000 projects in various industries, including hotel, hospital, school, airport, pharmaceutical, food & beverage, governmental building, real estate, and stadiums.

Beijing National Aquatics Center (“The Water Cube”)



Beijing National Stadium (“The Bird’s Nest”)



Significant Projects



Beijing International Airport



China Pavilion of 2010 Shanghai Expo

Well Positioned for Execution of Growth Strategy



- Expansion of manufacturing infrastructure.
 - Pipeline demand has exceeded manufacturing capacity.
 - Use of Proceeds:
 - R&D and marketing, new equipment, talent acquisition and working capital
 - Current capacity: \$37 million .
 - Capacity with additional working capital: \$59 million.
 - Goal is to maintain position as one of the market leaders and improve our competitive edge.
- Explore the potential application of stainless steel pipe in emerging applications.
 - Siphonic Roof Drainage Systems (SRDS): Drainage system with ability to drain any water accumulation on the roof under heavy storm with very high efficiency and prevention of excessive rainfall from damaging roof structure.
 - Subway Station Pipe Network: Conventional materials utilized in the rapid development of subway infrastructure is not sustainable.
- Rebranding the Company as a premium, full-service solution provider.
 - Provide comprehensive one-stop solution which combines designing, manufacturing, supplying, installation, and maintenance of pipe network to clients.

Initial Public Offering



Offering	
Shares to be Offered	Minimum: 1,000,000 Maximum: 1,500,000
Shares Offered by Selling Shareholders:	1,500,000 Ordinary Shares
Shares Outstanding Prior to Completion of Offering:	12,000,000
Shares Outstanding after Offering:	Minimum: 13,000,000 Maximum: 13,500,000
Assumed Offering Price Per Share:	\$5.00
Gross Proceeds to Company Before Expenses:	Minimum: \$4,650,000 Maximum: \$6,985,000
Pre-Money Valuation:	\$60 Million
Proposed NASDAQ Symbol:	"ZKIN" *
Use of Proceeds:	<ul style="list-style-type: none">• R&D and Marketing• New Equipment• Talent Acquisition• Working Capital

* ZKIN is a parent company having equity interest in the operating company.

Income Statement/Balance Sheet



正康国际
ZK INTERNATIONAL

Balance Sheet	September 30, 2016	September 30, 2015
Total Current Assets:	\$38,862,534	\$29,352,729
Total Assets:	\$45,550,956	\$36,701,630
Total Current Liabilities and Total Liabilities:	\$35,972,034	\$32,036,574
Total Equity:	\$9,578,922	\$4,665,056
Total Liabilities and Equity:	\$45,550,956	\$36,701,630

Income Statement	September 30, 2016	September 30, 2015
Revenues:	\$36,809,094	\$34,985,571
Gross Profit:	\$11,475,776	\$10,172,365
Gross Profit Margin:	31.2%	29.1%
Income from Operations:	\$7,616,021	7,605,543
Income Before Income Taxes:	\$6,408,131	\$5,960,798
Net Income:	\$5,302,691	\$5,008,681
Basic and Diluted Earnings Per Share:	\$0.59	\$0.56
Weighted Average Number of Shares Outstanding:	9,000,000	9,000,000

Management Team



Jiancong Huang, Chairman and President: Mr. Huang has extensive experience in manufacturing industry and held president position in two companies before Zhengkang was founded. He earned his EMBA from Renmin University of China and Engineering Professional Title, and was awarded as Top10 Wenzhou Entrepreneurship and appointed to be the Vice Director of China Construction and Building Standard and Safety Committee. He is also members of National Pipe Standard Committee and National Building Water Supply and Waste Standard Committee.



Hanjun Wang, Vice President: Worked as General Manager in Ball Star Bearing Group and Shandong Hengdian Group before he joined Zhengkang. He brought his extensive executive experience to his role in Zhengkang as Vice President and now is in charge of company's strategy executive and administration. He graduated from Nanjing University with MBA degree.



Guolin Wang, Co-Founder and General Manager: Mr. Wang held various positions in research and management since 1983 until he co-founded Zhengkang. He has extensive experience in manufacturing industry with EMBA from Renmin University of China and designation of Professional Engineer. He is a member of National Building Water Supply and Waste Standard Committee.



Minghao Wang, Co-Founder and Deputy General Manager: Mr. Wang held various positions in trading and marketing in other companies before he co-founded Zhengkang. With rich experience in marketing and negotiation, and an extensive network with water/gas supply companies, he now holds an important role in marketing. He earned EMBA from Renmin University of China and a designation of Professional Engineer.



Shaochai Yang, Chief Financial Officer: Ms. Yang has more than 10 years experience in accounting and financial management. Prior to joining the company, she worked as the CFO at Kaidishi Industrial from 2009 to 2016, a company focuses on developing and manufacturing electrical lock and biometric fingerprint scanner, where she oversaw the day-to-day operations of accounting department. She worked as CFO at Weiduli Valve from 2002 to 2009, a company manufacturing valve and piping products. Through years of career in accounting and management, she has acquired extensive experience in manufacturing industry from her past career in various medium to large enterprises. Ms. Yang received her Bachelor degree in business administration from China Computer Science College with the major in Accounting.



Hui Liu, Marketing Director: Mr. Liu worked previously in Shenyang Jinde Pipe Group and Fujian Jinchang Plastic Ltd, as marketing manager before he joined Zhengkang at 2007. He has had 16 years experience in metal pipe marketing management and has great relationship with water and gas suppliers and real estate development companies. He earned his Bachelor degree and designation of Professional Engineer.



Tengzhong Yu, R&D Director: Mr. Yu is an engineering expert and enthusiastic. He has directed some significant R&D projects and drafted the industry standard for Press-type Carbon Steel Pipe & Fittings as requested by National Department of Housing Construction. He was awarded Municipal Working Model by Wenzhou Municipality and Provincial Working Model by Zhejiang Provincial Government.



Di Chen, Secretary: Prior to joining the company at 2017, Mr. Chen served as the Senior Associate at Pacific Seaboard Investment, a corporate advisory firm based in Canada that focuses on guiding clients through IPO, M&A and private placement investments, for two years. His position focuses on leading the team to conduct industry research, due diligence, financial consulting, and preparing regulatory reporting. From 2012 to 2014 he worked as the accounting manager in Azizmalco, a property management company in Canada, where he oversaw the accounting department of Azizmalco's subsidiaries.

Board of Directors



Jiancong Huang, CEO and Chairman of the Board:

Guolin Wang, Director:

Min Ni, Independent Director and Chairman of the Audit Committee: Currently serving as the partner of CAN Partners LLP, a public accounting firm with offices in both Canada and China since 2013, and as the director of Bluehill CPA, an accounting advisory firm based in China since 2011, focusing on providing auditing and financial services to both private and public companies, and assist companies going public to improve internal control and compliances to meet regulatory requirements. Prior to his current positions, he worked as senior auditing manager at MNP LLP from 2008 to 2011 and Duffy & Associates in Toronto from 2006 to 2008, where he focused on financial auditing, internal control assessment, financial consulting and SEC filings review. Mr Ni has extensive experience in both US GAAP and IFRS reporting frameworks, Sarbanes-Oxley compliance, and regulatory compliances. Mr Ni was designated with CA, CPA in Canada and CPA in Illinois, US and he received his MBA from Toronto University – Rotman Business School.

Lie Cao, Director: Currently the Deputy Secretary General of National Water Supply & Sewerage Standard Committee, a regulatory body setting standard to water supply & sewerage industry, and Director of China Construction Metal Structure Association - Water Supply & Sewerage Division, a national trade association representing the technology and products of Chinese water supply & sewerage industry. Mr. Cao works closely with the government to oversee the water supply and sewerage industry, review and draft industrial technical standard, promote new materials and technology, organize anti-dumping and anti-trust investigation, and organize international communication conferences for the industry. His current and previous positions have provided him with a perspective and understanding on Chinese piping industry, and his management experience offered him a broad leadership and executive experience.

Linge Zhou, Director: Currently is the General Manager of Zhejiang Bestware, a marketing and consulting company based in Hong Kong since 2016, where she focuses on guiding clients to expand business to international markets, including America and European Union. Prior to her current position, she was the General Manager of 121 E-Commerce, a children's fashion company, from 2013 to 2016 where she oversees the operations, branding, and supply chain of the company. Ms. Zhou possesses outstanding experience in marketing, business development and operations.

- ZK International Group is committed to operating under the highest standards of integrity and “best practices” and in accordance with US Securities law. We believe that good corporate governance is important to ensure that ZK International Group Co. Ltd. is managed for the long-term benefit of our shareholders.
- Currently, our directors meet the standards for independence as defined by applicable securities law and the 5600 rules of the NASDAQ Capital Markets Reference Guide.
- ZK International Group has four oversight functions: Internal Audit, Risk Management, Compliance, and Finance. They assist the Board by verifying the effectiveness of the controls within the operating units and ensuring that activities, results and risk exposure are reliably reported. To achieve this, the Board of Directors of ZK International Group Co. Ltd. maintains several operating committees including:
 - the Audit Committee
 - the Compensation Committee
 - the Governance
 - Nominating Committee
- We also have a Code of Business Conduct & Ethics that provides a framework for operating standards and ethics at ZK International Group Co. Ltd. that we expect of all our officers, directors, and employees.
- We believe that our Board of Directors and committees, led by a group of strong and independent directors, provide the necessary leadership, wisdom, and experience that ZK International Group Co. Ltd. needs to make good business decisions and to fulfill the responsibilities to our shareholders. To this end, it is the policy of our Board of Directors that the majority of its members be independent.

Contact Us



正康国际
ZK INTERNATIONAL

PRESENTATION BY:

ZK International Group Co., Ltd.

Di Chen, Secretary
+86-577-86852999

No. 678 Dingxiang Road, Binhai Industrial Park
Economic & Technology Development Zone
Wenzhou, Zhejiang Province
People's Republic of China 325025
www.ZKInternationalGroup.com

FOR MORE INFORMATION:

KCSA Strategic Communications

Valter Pinto, Senior Vice President
1.212.896.1254 | Valter@KCSA.com

880 Third Ave., 6th Floor
New York, NY 10022

