

ZK International Group Co., Ltd. (NASDAQ: ZKIN): Supplying the next generation in China with clean water through innovative, high-quality water piping infrastructure with Track-n-Trace, Internet of Things (IoT) and Blockchain Technologies.

ZK International (NASDAQ: ZKIN):

- Manufacturer and designer of high-performance stainless steel piping and fittings for the water and gas sector.
- Wholly-owned subsidiary, XSigma Corp.: Empowering the Supply Chain with Blockchain.
- Provide the ability to develop innovative solutions to support its core operations with innovations such as distributed ledgers, supply chain management, and other efficiencies afforded by blockchain architecture.
- Three distinct areas of manufacturing within the supply chain will be streamlined: Track-n-Trace, Internet of Things (IoT), and Blockchain Technology.
- The formation of XSigma Corp. is preceded by strategic investments from globally recognized blockchain experts, Antanas Guoga and Layla Dong.
- Provides systemic solutions to construction projects that require sophisticated piping systems predominately in China.

Significant Projects/Contacts:

- Selected by China Railway First Bureau Group Construction and Installation Engineering Co., Ltd. to supply its premium thin-walled, stainless steel products for the second phase of Beijing's Rail Transit Line 7
- Selected by Zhuhai Water Environment Holding Group Co., Ltd. ("Zhuhai Water") as a leading supplier of stainless steel piping for updating the water supply infrastructure in Zhuhai, China.
- Selected as major supplier by Changsha Water Group to help spearhead update of Changsha water supply infrastructure with all new stainless steel piping.
- Renewed contract with Towngas China Company Limited, one of Asia's largest gas and utility suppliers
- Entered into an agreement with Shenzhen Water Group to replace the aging water supply infrastructure within its city
- Entered into \$1.2 million contract with The XingRong Group, one of the largest water treatment and supply companies in Western China



Financial Highlights

Stock Symbol:	NASDAQ: ZKIN
Current Share Price (As of 2/4/2019):	\$1.69
Shares Outstanding (As of 9/30/2018):	16,528,037
Market Capitalization:	\$27.9 Million
Revenue*:	\$54.9 Million, +22.1% YOY
Gross Profit*:	\$18.3 Million, +39.5% YOY
Gross Profit Margin*:	33.3% vs. 29.2% YOY
Net Income*:	\$7.1 Million, 19.71% YOY
Net Book Value**:	\$37.3 Million or \$2.25/share

* for the Fiscal Year Ended September 30, 2018

** based on 16,528,037 shares outstanding as of September 30, 2018

	<h3>Track-N-Trace</h3>	<p>Traceability and inventory systems designed for small to medium businesses with ability to track raw materials and finished goods at the source, supplier, or factory through the entire supply chain to the consumer.</p>
	<h3>IoT (Internet of Things)</h3>	<p>Authentication based on certificates from third parties is expensive and scalability is questionable. Instead, through this technology, the Company is able to register the devices on a blockchain to create a digital identity of the device which cannot be manipulated.</p>
	<h3>Blockchain</h3>	<p>Transparency as permissions and identity ensure appropriate visibility of transactions; consensus as all parties verify transactions; Immutability as the ledger cannot be altered. Provenance, because the source is verified.</p>

XSigma, Empowering the Supply Chain with Blockchain:

Data-driven quality strategy for improving processes.

Led by supply chain experts who perform a workflow discovery session where the team maps out the Value Chain, documenting the expectations for what milestones need to be measured.

1. Assess the “current state” with all documentation.
2. Establish “future state” with all implications and iterations.
3. Create a project plan with costs, revenue and timeline expectations

Blockchain in the Supply Chain:

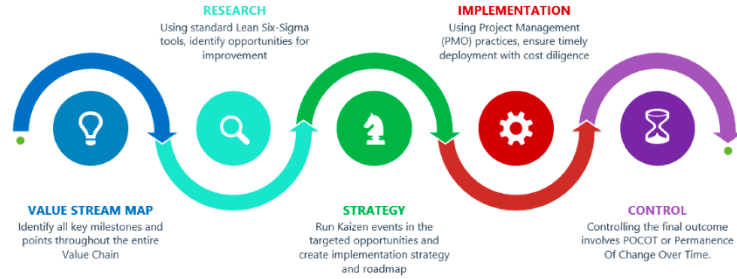
- Significantly reduces transaction costs, human errors and delivery delays.
- The middleman can be completely avoided and can connect all the concerned stakeholders smoothly
- Enhance the security of transactions.

Process:

Collaborative team effort methodology improves performance by systematically removing waste and reducing variations. Combines Six Sigma and lean manufacturing/lean enterprise to stimulate innovation and eliminate waste.

Technology: Smart Piping System

Leveraging the Company’s IoT/Track-n-Trace/Blockchain capabilities, the Company is exploring a smart pipe with capability to monitor water quality and pressure, ensuring the delivery of safe water, a reliable product and customer peace of mind.



“Lean is much more than just a set of tools or a one-time project. Real growth happens when Lean becomes part of the culture and a way of managing. It becomes part of the culture of the company.”

David Christensen, President of XSigma

“This technology is the future. The pioneers and innovators, who embrace it and deploy it, will clearly have the sustainable competitive advantage.”

David Christensen, President of XSigma

ZK International Product Overview:

- 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 are tailored based on design of clients’ piping system architecture;
- End users are provided with environmentally friendly and safe water and gas pipeline networks.

Connection & Fitting, Steel Strip and Piping:



Management Team:

Jiancong Huang, Chairman and President of ZKIN and XSigma:

- Extensive experience in manufacturing industry;
- Held president position in two companies before ZKIN was founded;
- Earned his EMBA from Renmin University of China and Engineering Professional Title;
- Awarded Top 10 Wenzhou Entrepreneurship;
- Appointed to be the Vice Director of China Construction and Building Standard and Safety Committee;
- Member of National Pipe Standard Committee and National Building Water Supply and Waste Standard Committee.

David Christensen, President of XSigma:

- Over 25 years experience in building manufacturing and supply chain companies.
- A “Black Belt in Lean Six Sigma”, which is a recognized expert in Global Strategy Deployment with unique expertise in Global Supply Chain, POS Systems and Security.
- Logistics, Freight, Distribution, Inventory, Service Repairs, CRM, Customer Service and Call Center.
- International team includes industry experts in Engineering, IT Hardware, ERP Applications, Security Management, as well as Marketing and PR.
- Previously worked for companies such as Compaq, HP, Cal Cartage, Qualcom, Wal-Mart International, Rexnord Carlyle, Hypercom, and Verifone.

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