

# DOGNESS (INTERNATIONAL) CORPORATION

(NASDAQ: DOGZ)



# DOGNESS

Simplifying Pet Lifestyle

March 2019

# Disclaimer

This presentation incorporates information from a registration statement and contains forward-looking statements. All statements contained herein other than statements of historical fact, including statements regarding our future results of operations and financial position, our business strategy and plans, and our objectives for future operations, are forward-looking statements. The words “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” and similar expressions are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described in the “Risk Factors” section of the prospectus. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the future events and trends discussed in this prospectus may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

This presentation does not constitute an offer to sell securities including but not limited to within any jurisdiction in which the sale of such securities would be unlawful. This presentation does not constitute a solicitation or offer to sell securities. Such offer and the information set forth herein have not been reviewed, approved or disapproved, nor has the accuracy or adequacy of the information set forth herein been passed upon, by the SEC or any state securities administrator.

The Company has previously filed a Registration Statement on Form F-3 (File No. 333-[229505]) with the SEC for the offering for which this presentation relates, which Registration Statement has been declared effective. A prospectus supplement and accompanying prospectus relating to this offering have been or will be filed with the SEC. Before you invest, you should read the prospectus supplement and accompanying prospectus, any amendments or supplements thereto and other documents the Company has filed with the SEC for more complete information about the Company and this offering. The prospectus supplement, the accompanying prospectus, and the Registration Statement, as may be amended or supplemented from time to time, may be accessed through the SEC’s website at [www.sec.gov](http://www.sec.gov). Alternatively, electronic copies of the prospectus supplement and the accompanying prospectus relating to this offering may be obtained from Maxim Group LLC, 405 Lexington Avenue, 2nd Floor, New York, NY 10174, at 212-895-3745. This presentation contains statistics and other data that has been obtained from or compiled from information made available by third parties service providers. The Company has not independently verified such statistics or data. The information presented in this presentation is as of March 27, 2019 unless indicated otherwise.



# Company Snapshot

|                                    |               |
|------------------------------------|---------------|
| Ticker Symbol                      | Nasdaq: DOGZ  |
| Share Price (a/o 3/26/2019)        | \$3.60        |
| 52 Week Range                      | \$1.77-\$4.95 |
| Market Cap (a/o 3/26/2019)         | \$93.27M      |
| Shares Outstanding (a/o 2/4/2019)* | 25.91M        |
| Average Trading Volume (10 day)    | 53.61K Shares |
| Revenue (FY18)                     | \$30.14M      |
| Net Income (FY18)                  | \$4.60M       |
| Fiscal Year End                    | Jun 30, 2018  |



\*:16.84 million Class A common shares plus 9.07 million Class B common shares  
Source: F-3 filed on February 4, 2019

# Investment Highlights

## An Emerging Global Company in “Smart” Pet Products

- Large Global Pet Industry Opportunity
- Strong Foundation and Product Leadership
- Blue-Chip Customer Base
- Established Marketing and Distribution Network Worldwide
- Innovative Technology and Proven R&D Capability
- Compelling Growth Strategies



# Who We Are

## “Simplifying Pet Lifestyle”

Dogness International, founded in 2003, is a designer and manufacturer of high-quality pet products, including:

1. Smart pet products
2. Pet care products
3. Pet health and wellness products
4. Leash products

The company ensures industry-leading quality through its fully integrated vertical supply chain and robust R&D capabilities, and over 160 approved and pending patents.

Dogness products reach families worldwide through global chain stores and distributors.





**SMART PET DEVICES**



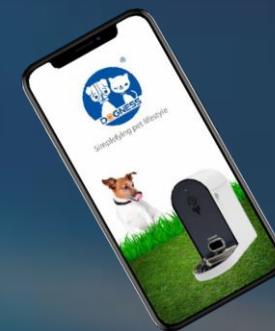
# Smart Pet IoT Ecosystem



**WE INTEGRATE ALL OUR SMART DEVICES UNDER  
ONE PLATFORM**



# Using An App To See And Control Our Devices



## Caring

Our family of products allow the user to see and interact with their pets from a distance. We can use the app to feed them and make sure they are safe, when we are away from them, listening and speaking to them.



## Loving

They love us and our mission should be to try to give back as much love as they deliver every day. Caring for our pets is our mission and their well being is our goal.



## Guarding

From the App we can see and hear them, interact with them, allowing us to play and send them a treat from the office or on a trip, we can be sure they are safe and well taken care of.





# Smart Pet Series – iPET Robot

- HD camera with night vision
- 360° movement view
- Laser pointer
- Treat dispenser
- Catch images and video
- Share with family and friends
- Multi surface traction wheels
- Mic and speaker to hear and talk to your pet

Featured in:



**The gadgets of the future know everything wrong with you right now**

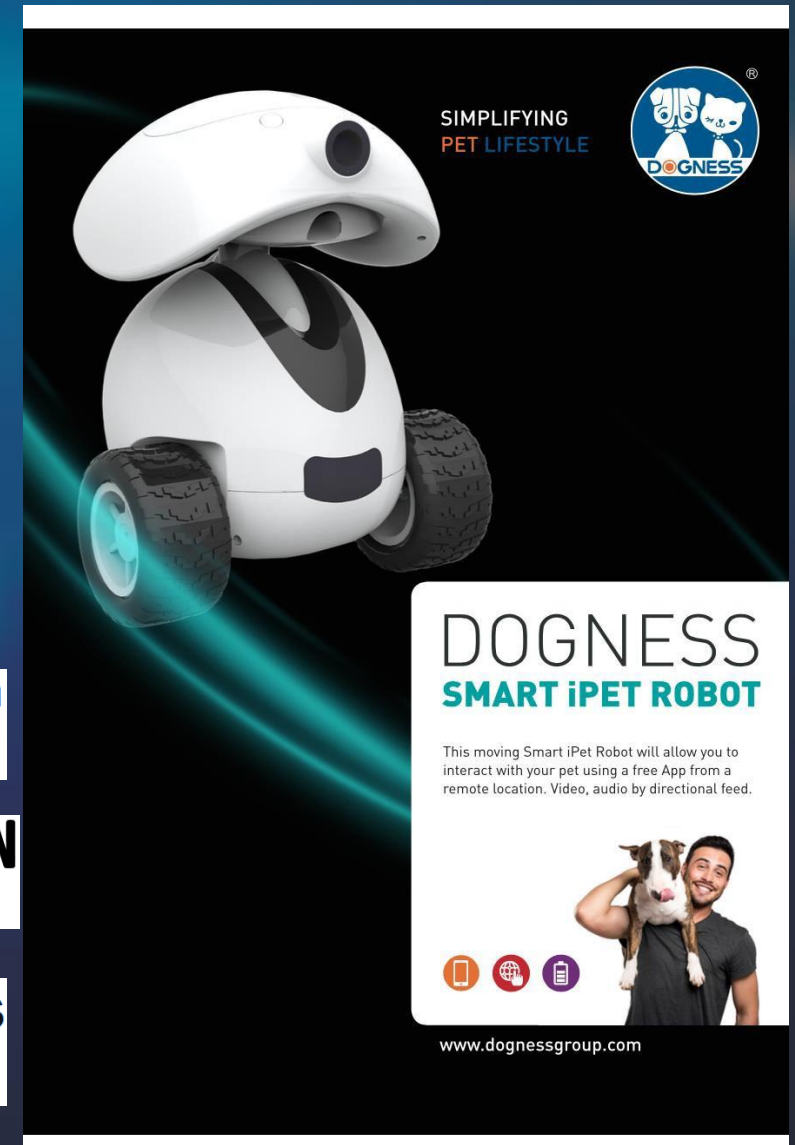


**MORE OF THE COOLEST STUFF WE'VE SEEN SO FAR AT CES 2019**



**CES 2019: top tech trends from this year's show**

Source: <https://www.cnn.com/2019/01/11/tech/ces-2019-gadgets-anxiety/index.html>  
<https://www.wired.com/gallery/ces-2019-coolest-gadgets-day-2/>  
<https://www.designweek.co.uk/issues/7-13-january-2019/ces-2019-top-tech-trends-from-this-years-show/>



# Smart Pet Series – Other Products



- Wide angle HD Camera with night vision
- Tilt up and down
- Laser pointer
- Treat dispenser (15 pieces)
- Capture images and video
- Share with family and friends



- Modern look
- Large 7 lbs dry food capacity
- In-app feeding planner
- HD camera
- Patented anti food jamming
- Capture images and videos
- Share with family and friends
- Stainless steel bowl



- Endless flow
- Double stage filters
- Controllable flow
- BPA free
- First shelf dishwasher safe



- Modern decor compatible
- HD Camera
- Treat dispenser
- Capture images and videos
- Share with your family and friends
- Bamboo cover





PET CARE

# Pet Care Series



专业洗护线 / Professional Bathing & SPA



专宠专用线 / One-on-One Service





# TRADITIONAL COLLARS AND LEASHES



# Traditional Leashes and Harness

We manufacture a large variety of leashes and harness, in a number of color combinations. Comfortable and non irritating, our harnesses are durable and meet security standards.



# Retractable Leashes



Appealing to users that value  
fashion and reliability



# Evolving Product Line with Exchangeable Accessories

- New retractable leashes
- Upscale appealing look
- German spring mechanism
- Patent leash release
- Super stable wire spool
- Ergonomic PVC TPE handle
- High quality reflective webbing
- Exchangeable components increase customization



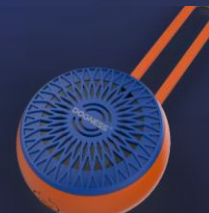
## LED Light

For evening walks, it will help you see better in low light settings



## Convenience Box

You can attach the canister to hold your doggie bags, keys, cash



## Bluetooth Speaker

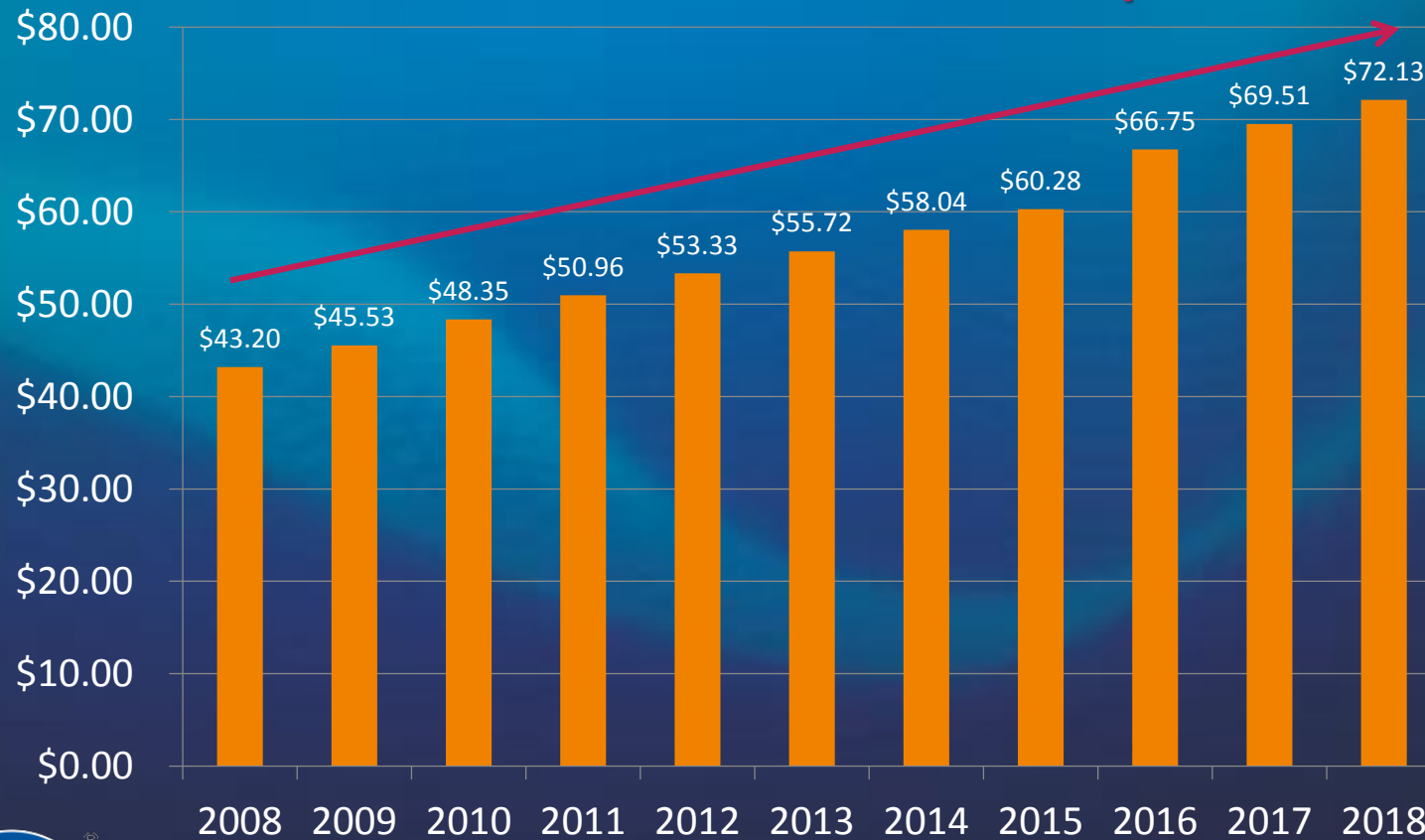
You can listen to music or answer calls while walking your pet



# Large Global Pet Market

Total U.S. Pet Industry Expenditures  
(USD, billions)

10-yr CAGR : 5.26%



- Total U.S. pet industry expenditures grew at a CAGR of 5.26% from 2008 to 2018
- 68% of U.S. households own a pet, which equates to 84.6 millions homes
- China's pet economy is growing rapidly driven by increase in disposable income and need to have a companion to alleviate stress and loneliness in developed cities
- Pet ownership rate in China (8% households own a dog and 3% own a cat) is very low relative to U.S. which creates large potential for growth

Sources: American Pet Products Association Pet Industry Market Size & Ownership Statistics  
[https://www.americanpetproducts.org/press\\_industrytrends.asp](https://www.americanpetproducts.org/press_industrytrends.asp)  
<http://www.petfairasia.com/en/asian-markets/china-pet-market/>



# Broad and Mature Global Sales Network

## Global Industry Chain Stores

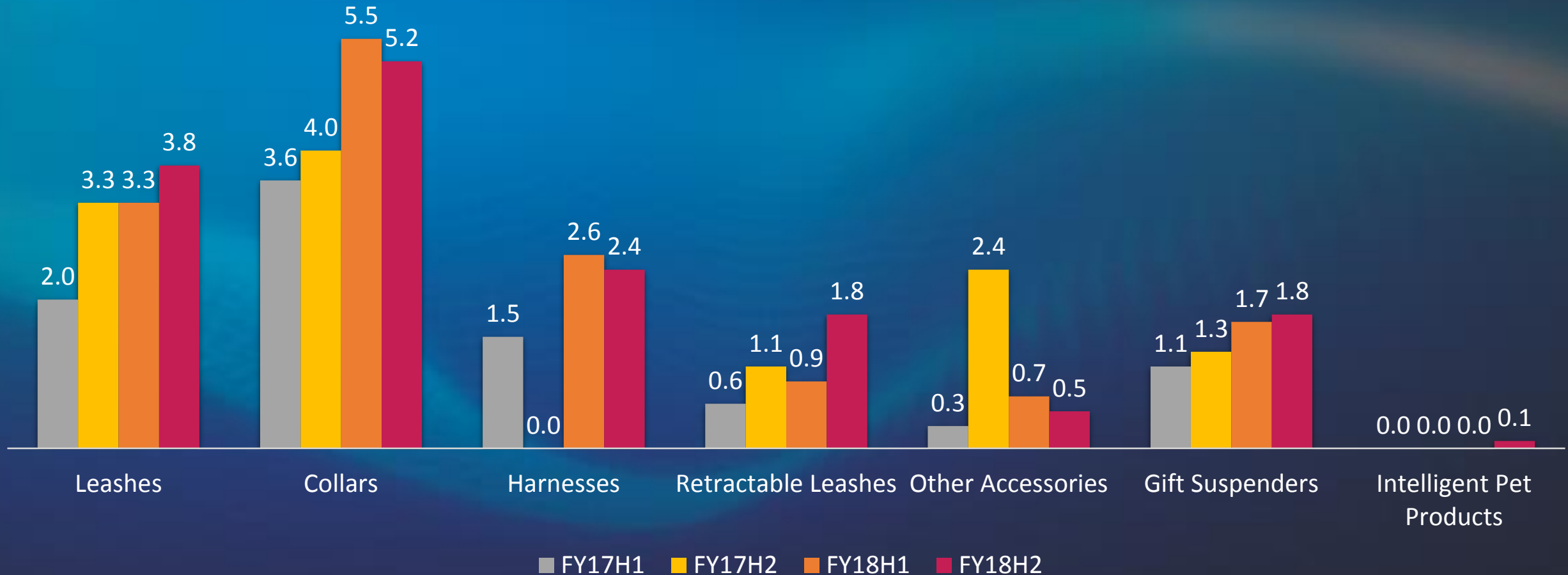


## Global Distributors

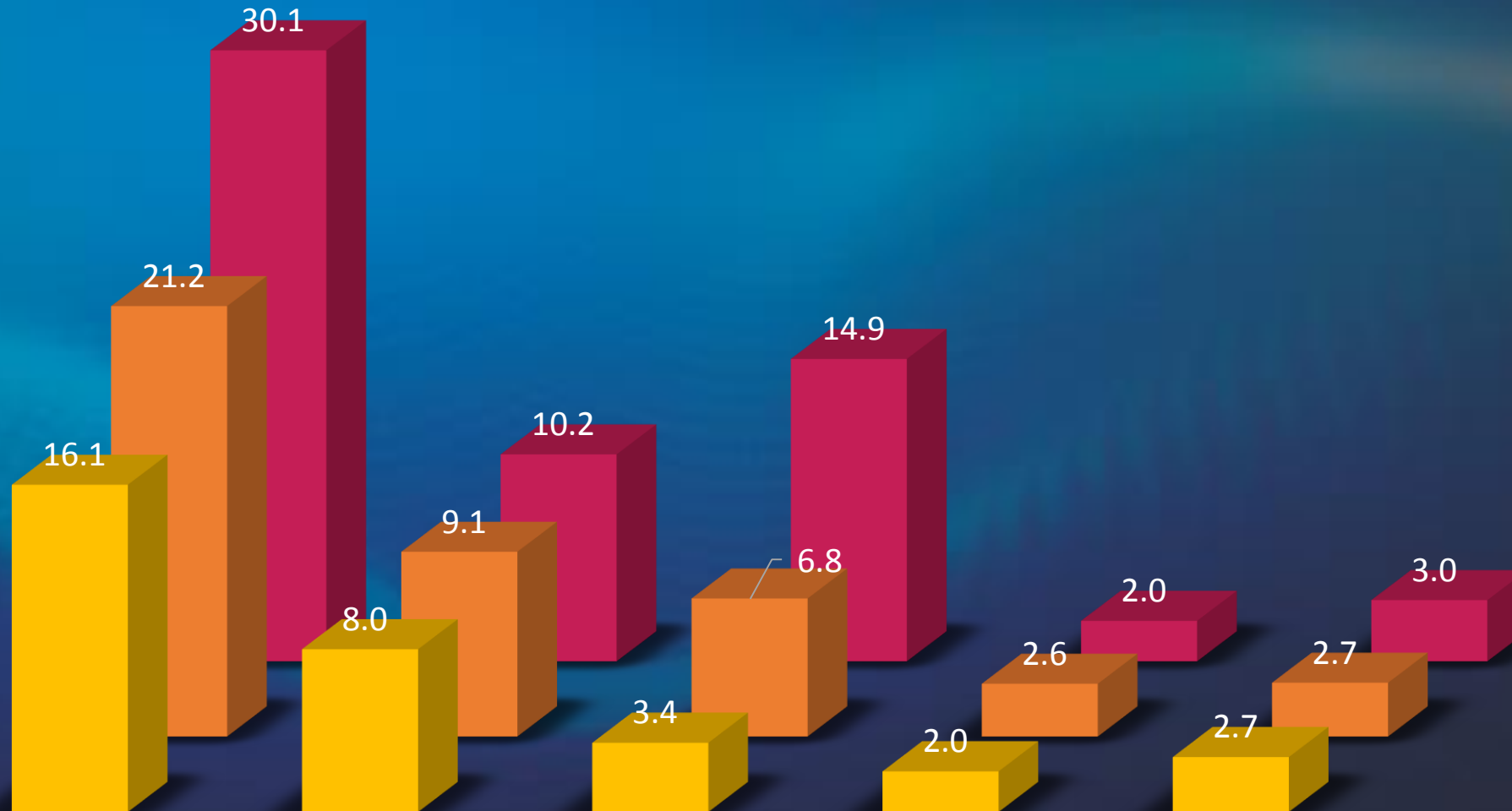




# Product Leadership: Sales by Product (\$M)



# Product Leadership: Sales by Geography (\$M)



Total Revenue

US

China

Europe

Other\*

■ FY 2016 ■ FY 2017 ■ FY 2018

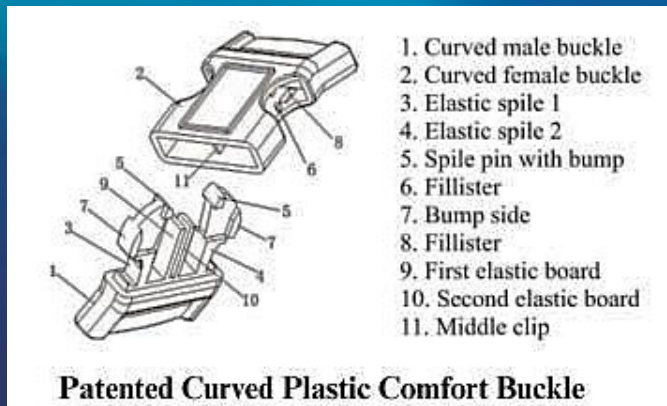
\*Includes Japan and other Asian countries, Central and South America, Canada, and Australia



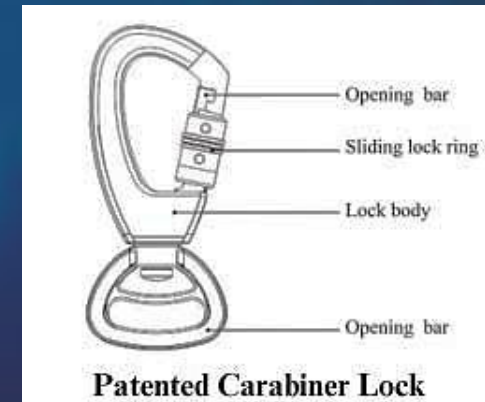
# Proven R&D Capability: Over 160 Patents (include Pending Patents)

## Dogness's 72 patents

### Design Patents



### Global Invention Patents



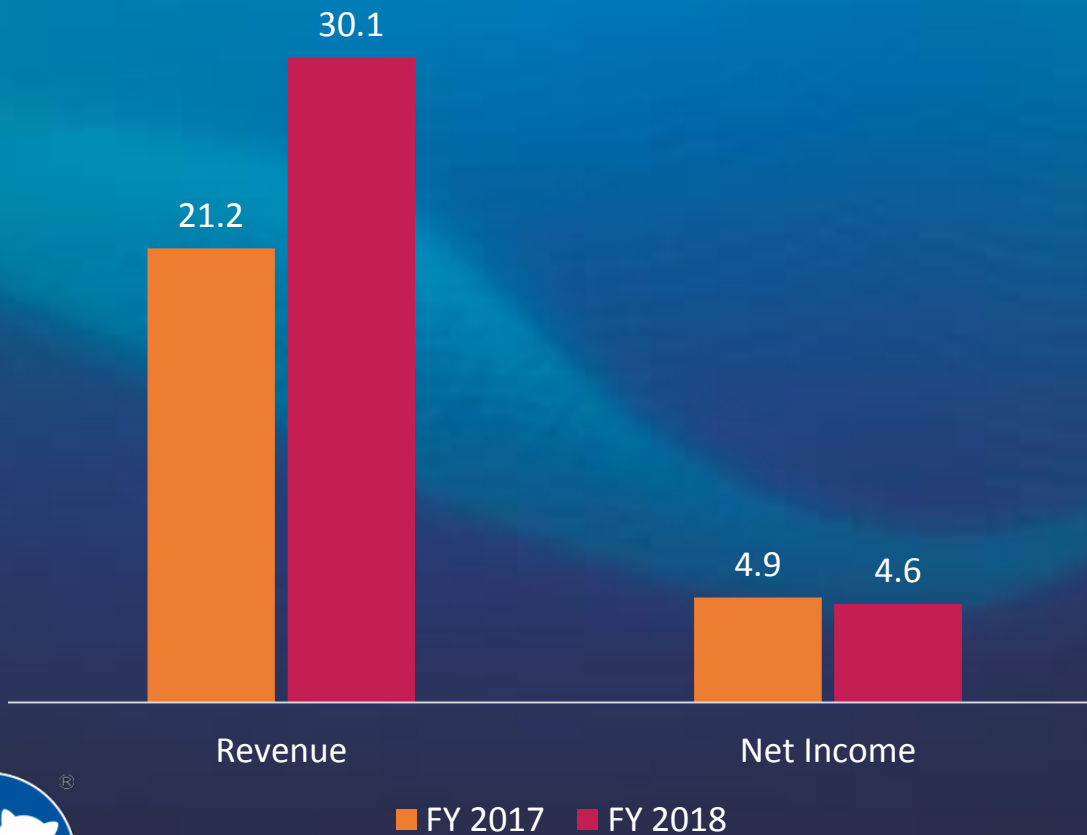
### Practical Patents

**89 patents pending**

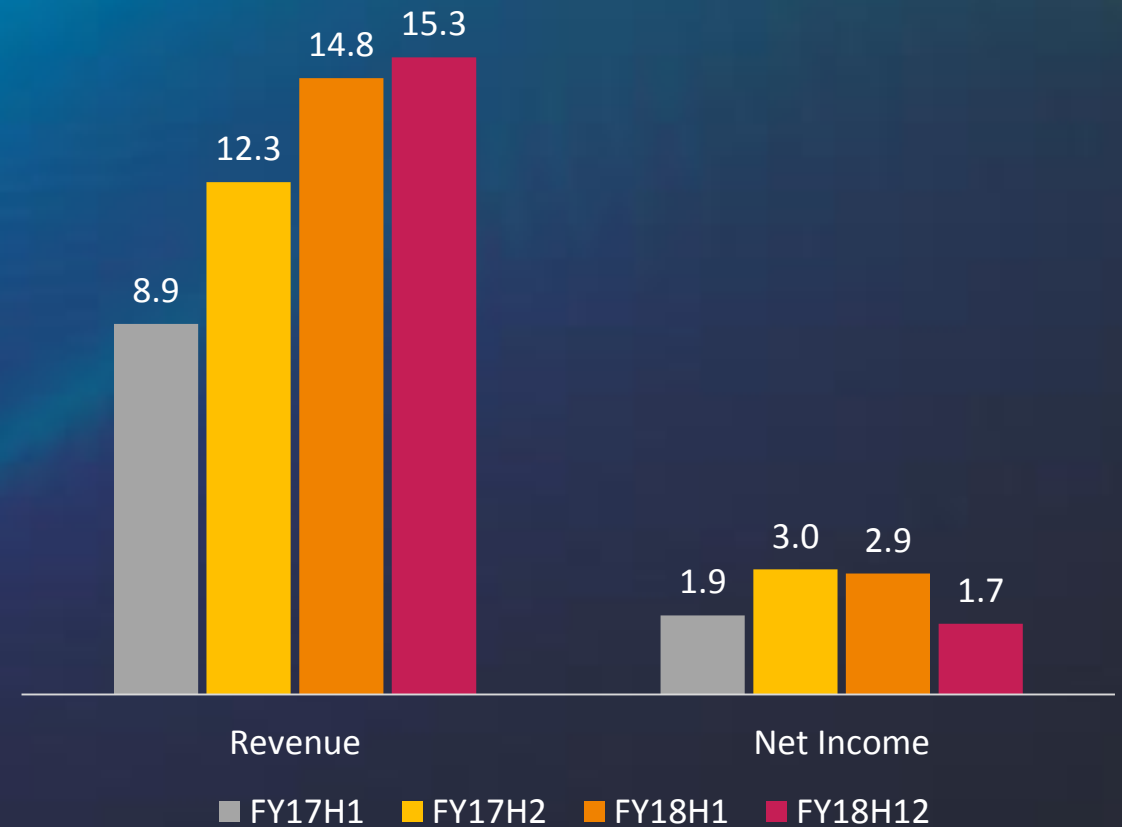


# Income Statement Highlights

**Annual Revenues and Net Income**  
(USD, millions)

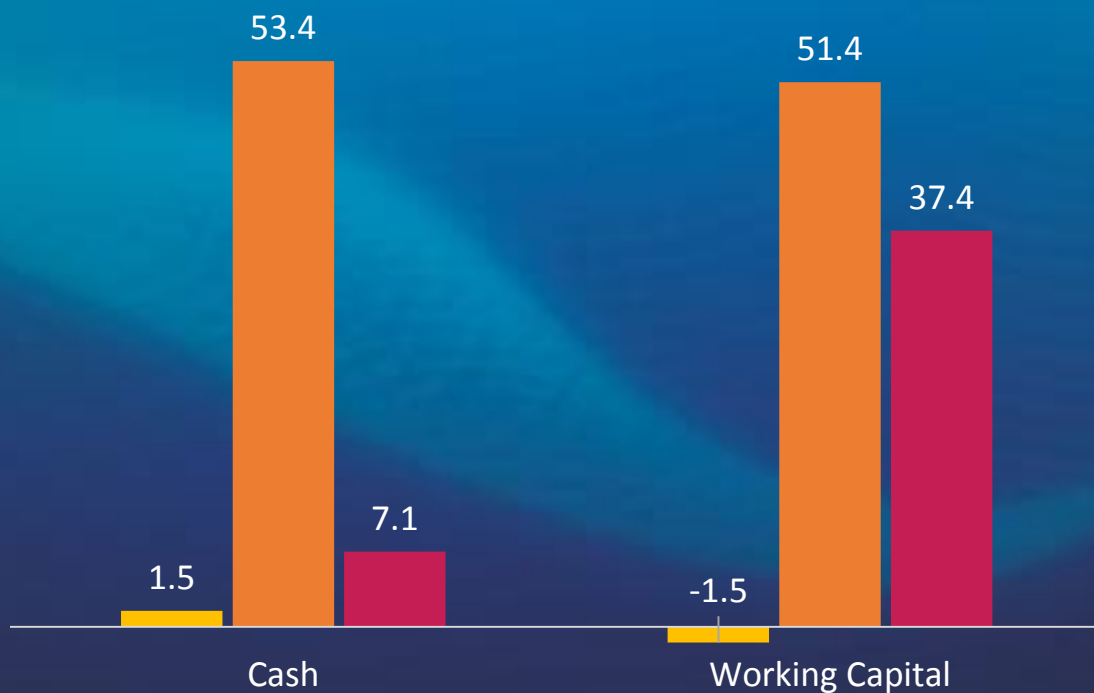


**6 Month Revenues and Net Income**  
(USD, millions)

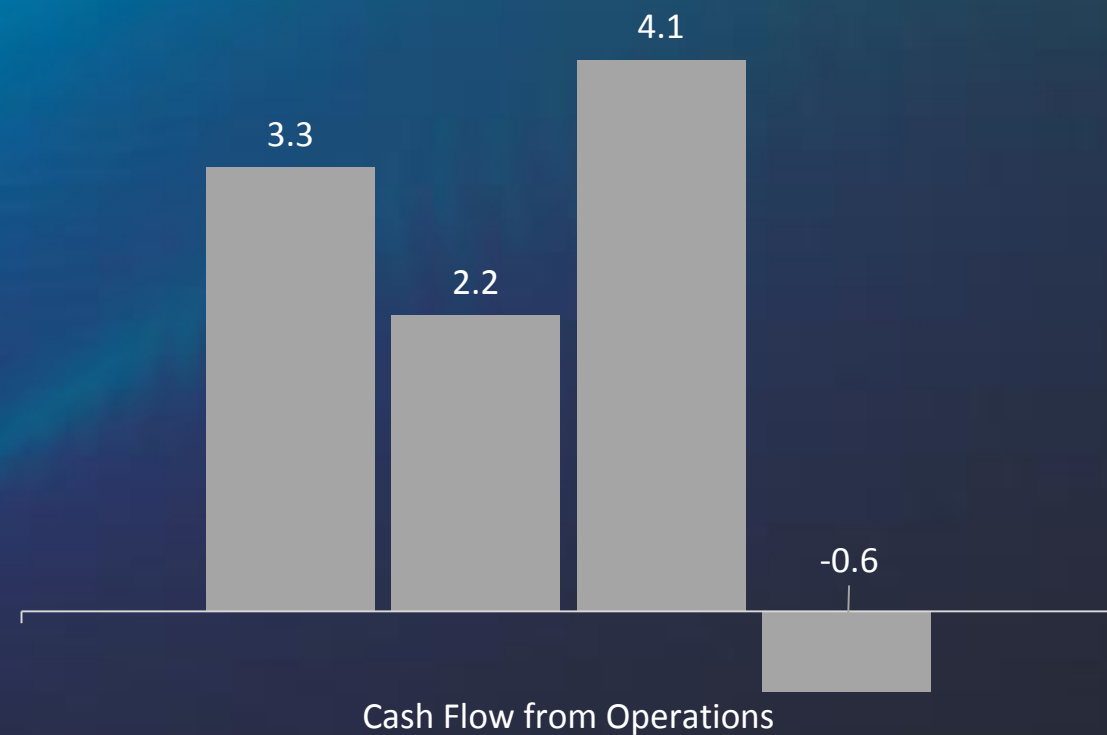


# Cash Flow

**6 Month Cash and Working Capital Balance**  
(USD, millions)



**6 Month Operating Cash Flow**  
(USD, millions)

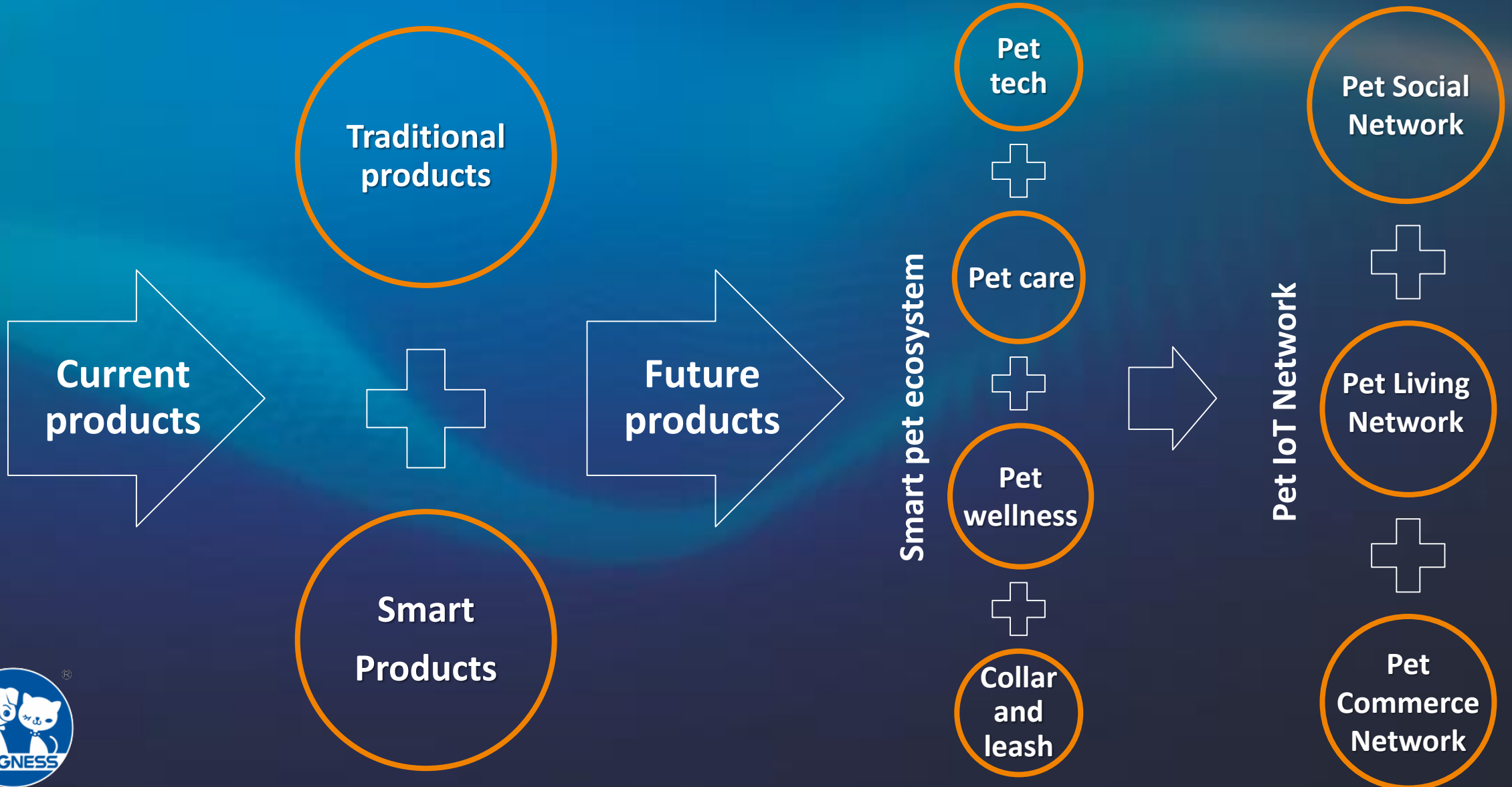


■ FY17H2 ■ FY18H1 ■ FY18H2

■ FY17H1 ■ FY17H2 ■ FY18H1 ■ FY18H2



# Compelling Growth Strategies



# Our Vision



# Contact

**Yunhao Chen**

Chief Financial Officer

Email: [ir@dognesspet.com](mailto:ir@dognesspet.com)

**ICR, Inc.**

Rose Zu

Tel: +1-646-588-0383

Email: [ir@dognesspet.com](mailto:ir@dognesspet.com)

