



ASX ANNOUNCEMENT

JATENERGY LIMITED
ABN 31 122 826 242

ASX CODE: JAT

AUSTRALIAN REGISTERED OFFICE
Office B, Suite C303, 521 Toorak Road
TOORAK VIC 3142 AUSTRALIA

CONTACT DETAILS

Telephone +61 488 248 138
Email admin@jatenergy.com
Web www.jatenergy.com

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Jatenergy Limited (JAT) subsidiary Sunnya Pty Ltd signs five-year distribution agreement with Guangzhou Nuirui Trading Co Ltd.

Highlights

- Sunnya Pty Ltd has signed a five-year distribution agreement with Guangzhou Nuirui Trading Co Ltd.
- Guangzhou Nuirui will distribute Sunnya's products to Shanghai Aiyingshi Co Ltd, trading as BABEMAX, which has 150 stores across China, and online stores.
- Guangzhou Nuirui agrees to purchase 1.5 million tins of Sunnya's NEUIRO Lactoferrin milk powder over five years.

Jatenergy is pleased to announce that its subsidiary, Sunnya, has signed a distribution agreement with Guangzhou Nuirui Trading Co, further opening its market across China.

Sunnya has agreed for Guangzhou Nuirui to be the exclusive distributor of NEUIRO Lactoferrin milk powder to BABEMAX stores (a division of Shanghai Aiyingshi Co Ltd). It may also distribute Sunnya's full range of products to other sales channels on a non-exclusive basis.

Under the agreement, Guangzhou Nuirui has agreed to purchase 1.5 million tins of Sunnya's NEUIRO Lactoferrin milk powder within five years, commencing with 100,000 tins in the first year and increasing by 100,000 tins per year to reach 500,000 tins in year 5. Guangzhou Nuirui must require BABEMAX (and any other retailers) to charge a retail price of 458CNY (A\$91.60 at current exchange rates) per tin.

"BABEMAX is a trusted brand and its stores are spread throughout China," says Sunnya managing director, Daisy Lu. "We are delighted to achieve this important agreement with a significant sales target of 1.5 million tins of NEUIRO Lactoferrin."

Material terms of the agreement

1. Guangzhou Nuirui will be the exclusive distributor of Sunnya products to BABEMAX, and non-exclusive distributor for other channels approved by Sunnya.
2. The agreement is for five years, commencing immediately, and can be extended by mutual agreement between the parties.
3. Guangzhou Nuirui agrees to purchase 1.5 million tins of NUERIO Lactoferrin over the next five years, with 100,000 tins in year 1 increasing to 500,000 tins in year 5.
4. The sale price will be the best market price available at the time of Guangzhou Nuirui placing the order with Sunnya.
5. Guangzhou Nuirui must require retailers to charge a retail price of 458CNY (A\$91.60 at current exchange rates) per tin.
6. The agreement can be terminated if Guangzhou Nuirui fails to distribute the products within the nominated sales channels.

About Guangzhou Nuirui Trading Co Ltd

Established in 2010, Guangzhou Niurui Trading Co Ltd specialises in international trading, managing an import agency and product distribution. The company's senior management have an extensive track record of helping companies import and distribute health and nutritional products throughout the Chinese market.

About Shanghai Aiyingshi Co Ltd and BABEMAX

Shanghai Aiyingshi Co Ltd is a public listed company (SHA: 603214) which sells maternal and child products in China through 150 directly-operated BABEMAX stores, as well as B2C online shop. It offers infant milk products, nappies, feeding products, toys, baby clothes, toiletries, and maternal supplies, as well as health products, daily necessities, and books and audio-visual products. Shanghai Aiyingshi Co Ltd. was founded in 1997 and is based in Shanghai, China.

