

Temporary store closures, executive remuneration and online update

(**Sydney, Australia**) – AuMake International Limited (**AuMake** or the **Company**) wishes to provide an update to the market in relation to temporary store closures, executive remuneration and online performance relative to COVID-19.

As a result of tightening government restrictions on the physical movement of individuals and AuMake's commitment to ensuring the safety and wellbeing of its staff, customers and suppliers, the Company will today temporarily close the four-remaining offline AuMake stores. As such, all AuMake and Broadway offline stores are now temporarily closed and will re-open as soon as it is safe and economically sound to do so.

Consequently, the Company has had to make the difficult decision to stand down further staff, culminating in a 70% reduction of its staffing levels since the onset of COVID-19 in late January 2020. Impacted staff are being fully supported by the Company to access their leave entitlements and any available government assistance. Remaining staff have been transitioned to part time hours and reassigned to the Company's online, warehousing and corporate functions.

The Board, executives and senior management have also committed to reduce their remuneration by 50% effective 1 March 2020.

AuMake is working closely with landlords to materially and sustainably reduce leasing costs through this period and is closely monitoring government support in this area.

Online Update

Given the temporary closure of its offline stores, the Company will continue to focus on the growth of its online business. As previously communicated to the market, early indications are encouraging with total online sales and high margin owned and exclusive brand online sales growing 88% and 200% pcp respectively, for the period 1 January 2020 to 28 March 2020.

The performance of AuMake online and the newly established Broadway WeChat stores have materially contributed to this result. In addition, the Company will realise significant new growth opportunities with the implementation of additional digital marketing strategies to its existing online customer database which is largely composed of customers living in China.

The Company is also actively developing new and incremental sales channels via existing offline and online customer networks in China.

AuMake's balance sheet remains strong with further information to be provided in the March quarterly update.

AuMake would like to take this opportunity to sincerely thank its loyal staff and valued customers during this historically challenging period and will continue to update the market as the situation develops.

ENDS



This announcement has been authorised for release by the Board of AuMake International Limited.

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