

28 September 2021

Aumake implements strategic growth initiatives for the New Zealand market

Highlights

- New brand development agreement – execution of an exclusive brand development partnership with Prizm Group who have access to over 100 high-quality New Zealand brands
- Leverage logistics partnership – utilise Wiseway Group (ASX:WWG) distribution centre in Auckland, New Zealand, including cold supply chain capability to provide fast and secure exportation of general and fresh produce products
- Meet growing consumer demand – Aumake is highly experienced in the New Zealand market with over 25% of FY20 revenue coming from New Zealand brands
- Fast growing export market – tap into the strong growth potential in the New Zealand market by leveraging the upgraded Free Trade Agreement between China and New Zealand

Sydney, Australia – Aumake Limited (**ASX: AUK, Aumake, or the Company**), operator of an Australian-based social e-commerce platform that markets and distributes high-quality and authentic Australian and New Zealand brands, is pleased to advise of the following strategic growth initiatives in the New Zealand market.

The Fast-Growing New Zealand Export Market

The New Zealand (NZ) export product market to China is growing significantly, leveraging the upgraded Free Trade Agreement between China and New Zealand that came into effect in January 2021.

New Zealand exports reached a new high in June 2021 as China continues to receive the largest share of New Zealand exports globally. In June 2021, China received 32% of New Zealand's total exports, including 44% of New Zealand's dairy and 41% of meat exports.

In June 2021, the value of all New Zealand goods exports rose 17% from June 2020 to 6 billion NZ dollars (4.18 billion USD). The previous high for exports was in May 2021.

Beef exports reached a new high of 411 million NZ dollars (286 million USD) in June 2021. This increase was quantity driven, with volumes up 8.5%. The previous high for beef export values was in March 2020. Milk powder, butter, and cheese also drove the rise in total exports, up 31%.

Anecdotal evidence from suppliers in New Zealand also confirms the increasing demand from China for high-quality New Zealand products.

Execution of Exclusive Brand Development Agreement

In order to capitalise on the strong growth in NZ exports, Aumake has executed an exclusive Brand Development Agreement with [Prizm Group](#), one of New Zealand's largest brand incubators and digital agencies. Prizm's headquarters are in Auckland and the Company operates globally with 200 employees across offices in New Zealand, Hong Kong, China, Singapore, and Canada.

Aumake has begun onboarding Prizm to the Company's social e-commerce platform. Prizm has access to an existing pool of over 100 New Zealand brands, which will enhance Aumake's product offering to its online marketplace platform which includes an influencer network of more than 35,000 users.

Leveraging Strategic Partnership with Wiseway

Following the recent strategic partnership announcement between Aumake and premier logistics group, Wiseway², the Company will utilise Wiseway's distribution centre in Auckland to provide a fast and secure channel for New Zealand suppliers to export their products globally, including into China.

Wiseway's Auckland distribution centre operates a chiller facility and comprehensive cold-chain logistics network allowing for the exportation of high-quality fresh produce and perishable products overseas. Wiseway has also observed a 127% revenue increase in FY21 v FY20 for perishable products across their business, highlighting a strong macro trend in the exportation of fresh goods.¹

In addition, Wiseway's international logistics hubs and distribution routes throughout South-East Asia and the United States create potential growth opportunities and diversification into new markets. Wiseway operates hubs in Shanghai and Guangzhou, China, as well as in Singapore and Los Angeles.

Aumake Experienced in the New Zealand Market

Over 25% of Aumake's FY20 revenue was generated from the New Zealand market primarily through international tourists purchasing high-quality New Zealand products at Aumake's physical retail stores in Auckland and Rotorua.

In early FY21, Aumake pivoted its business model in response to the COVID-19 pandemic by establishing an influencer-based e-commerce marketplace, which allowed the Company to continue to capitalize on the demand for New Zealand products in Asian markets. Key partnerships with brand developer, Prizm and global logistics provider, Wiseway greatly strengthen Aumake's ability to create and meet demand for high-quality NZ brands.

Aumake's business will be further bolstered by the reopening of international borders, and the return of international students and tourists making purchases in the Company's physical stores and online.

ENDS

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

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About Aumake Limited

Aumake Limited (ASX:AUK) operates a social e-commerce marketplace that directly connects Asian influencers with high-quality and authentic Australian brands. It offers the best possible prices, end-to-end customer service and a comprehensive product range – all on one integrated platform. Aumake also operates physical stores, located in key precincts on Australia's east coast and in New Zealand, delivering a fully integrated online and in-store shopping experience for Asian consumers.

¹ Wiseway Group Investor Presentation dated 15 September 2021 pg. 10