

eCargo Refines Business Portfolio with Sale of Amblique**Highlights:**

- **eCargo has divested its Amblique Pty Ltd digital commerce consultancy in a management buyout for cash consideration of US\$5 million**
- **The Group intends to reinvest the sale proceeds:**
 - **Into acquiring or taking equity positions in Australian brands with high potential to scale in Asia**
 - **To enhance the Group's proprietary platforms, including JuJiaXuan (JJX) and PinJiuFang (PJF Wines)**
 - **To expand its team in its Australia office, ensuring it can best capture the opportunities to scale Australian brands in Asia**

August 12th, 2022 (SYDNEY): eCargo Holdings Limited (ASX:ECG) ('eCargo' or 'the Group') announced today it has sold its 100% interest in digital commerce consultancy subsidiary, Amblique Pty Ltd to Commercial Group Limited, in the form of a management buyout led by Amblique Chief Executive Officer, Stephanie Byrne, for a total cash consideration of US\$5,000,000 (**Transaction**).

Amblique offers e-commerce set up and optimisation services to brands primarily in Australia. The sale of Amblique provides additional capital for eCargo to invest in equity in Australian brands that have high potential to grow in China and advance its eCommerce ecosystem through development of its technology platforms.

Speaking on this divestment, eCargo Group Chief Executive Officer, Lawrence Lun, said: *"Amblique has contributed to eCargo's portfolio since joining the group 7 years ago, however, it now primarily offers services to companies growing in the Australian market and is consequently not core to eCargo's renewed Asia-focused growth strategy. We wish Stephanie and the whole team at Amblique continued success."*

Amblique Chief Executive Officer, Stephanie Byrne, commented: *"After 11 years working in the business, I am excited to be leading the next chapter of Amblique back to independent management ownership. Amblique has proven capabilities to deliver complex digital commerce projects on Salesforce, BigCommerce and Fluent Commerce, working in close partnership with our clients over the long term."*

I'm incredibly proud of our number one asset, our amazing team, many of whom have been with us for a very long time. Independent ownership will enable us to invest in our team to further expand our Australia and New Zealand focused consulting practice and technology partnerships.

We would like to thank eCargo for the unwavering support over the past seven years and look forward to continuing to work in close partnership to support our mutual clients."

Amblique contributed 44%, or HK\$69 million, of the Group's revenue for FY21. The sale values Amblique at 6 times its FY21 net profit.

The Transaction did not require shareholder approval under Listing Rules 11.1.2 or 10.1. Additionally, the Transaction has not resulted in any change to eCargo Holdings Limited's Board composition.

Investing sales proceeds in high potential Australian brands

As the group restructures its business portfolio to focus on growing overseas brands in the Asia market, it intends to reinvest the sale proceeds into acquiring or taking equity positions in Australian brands with high potential to scale in Asia.

Commenting on this investment strategy, Mr. Lun said: *"We are seeing tremendous opportunities to invest in brands within the verticals of personal care, beauty & cosmetics, mum and baby, and health and wellness. These are high margin categories with the potential to gain substantial traction in Asia. Having a distribution network of over 4,000 points of sale in China, we're confident about the prospects to grow brands from these categories and benefit from the upside that equity ownership provides."*

eCargo will also reinvest the sales proceeds to enhance the Group's proprietary eCommerce platforms, JuJiaXuan (JJX) and PinJiuFang (PJF Wines). JJX, a wholesale marketplace connecting overseas suppliers to distributors and retailers around China, has been growing strongly, with 40%+ growth on monthly basis since launch. PJF, a China Cross-border fine wine platform, has also gained significant traction, growing at a compounded rate of 60% month-on-month. Mr Lun said, "Having deep experience growing brands via our channels, we are well positioned to recognise the products and brands that have high potential, and we are consistently improving our platforms based on input from clients and merchants."

"We also plan to employ Amblique's sales proceeds to expand our business development team in our Australia office, ensuring we are best capturing the opportunities to scale Australian brands in Asia, and can provide clients with hands-on support and expertise."

"We are continuing to sharpen our focus on our core competencies of utilising our distribution platforms and technology to grow brands' sales in Asia, and I am excited about our opportunities to grow with high-value brands. Having divested Amblique, we are well funded to make investments in Australian companies and capture the upside as these brands grow. I look forward to providing the market with updates as we execute on our strategy over the coming months."

This ASX announcement was approved and authorised for release by John Lau, Executive Chairman.

About eCargo Holdings Limited

eCargo Holdings Limited is an ASX-listed company offering solutions that connect global brands with Chinese buyers and provide the tools businesses need to grow their China sales. Their core focuses are in utilising technology and data to grow brands in China through their nationwide distribution and trading (online and offline) network.

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