

**Aumake Limited**  
**Appendix 4D**  
**Half-year report**

**Company details**

Name of entity: Aumake Limited  
ACN: 150 110 017  
Reporting period: For the half-year ended 31 December 2022  
Previous period: For the half-year ended 31 December 2021

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**Results for announcement to the market**

	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
Revenues from ordinary activities down 45%	2,039,120	3,684,401
Loss from ordinary activities after tax attributable to the owners of Aumake Limited down 50%	1,391,923	2,772,223
Loss for the half-year attributable to the owners of Aumake Limited down 50%	1,391,923	2,772,223

***Commentary on the results***

Please refer to the "Review of Operations" section included within the directors' report of the attached financial report for the half-year ended 31 December 2022.

**Dividends**

No dividends have been paid or declared by the Company since the beginning of the current reporting period. No dividends were paid for the previous reporting period.

**Control gained or lost over entities having material effect**

Not applicable.

**Net tangible assets**

	<b>31 Dec 2022</b> <b>Cents</b>	<b>31 Dec 2021</b> <b>Cents</b>
Net tangible assets per ordinary security	(0.13)	0.25

**Aumake Limited**  
**Appendix 4D**  
**Half-year report**

**Investments in Associates or Joint Ventures**

There are no associates or joint venture entities.

**Audit Qualification or Review**

The financial statements were subject to a review by the auditors and the auditor's review report is attached as part of the attached financial report.

**Attachments**

*Details of attachments:*

The Interim Financial Report of Aumake Limited for the half-year ended 31 December 2022 is attached.

**Signed**

A handwritten signature in black ink, appearing to read 'S. Harrison', with a long, sweeping horizontal line extending to the right.

Stephen Harrison  
Non-Executive Chairman

28 February 2023  
Sydney

**Aumake Limited**

**ACN 150 110 017**

**Interim Financial Report - 31 December 2022**

**Aumake Limited  
Directors' report  
31 December 2022**

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Aumake Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2022.

**Directors**

The following persons were directors of Aumake Limited ('Aumake') during the whole of the financial half-year and up to the date of this report,

Stephen Harrison (Non-Executive Chairman)  
Jiahua (Joshua) Zhou (Managing Director)  
Jacky Yang (Non-Executive Director)  
Stratos Karousos (Non-Executive Director)

**Principal activities**

During the financial half-year the principal activities of the consolidated entity were sale of Australian and New Zealand products via its social e-commerce marketplace platform.

**Dividends**

The consolidated entity has not declared any dividend during the half-year.

**Review of operations**

The net operating loss for the consolidated entity after providing for income tax amounted to \$1,391,923 (31 December 2021: \$2,772,223).

**Significant changes in the state of affairs**

With Covid-19 in China continuing the delay of the return to Australia of international Chinese tourism and Chinese students and the resulting lack of foot traffic, the decision was made during the half-year to close the Company's remaining three physical stores.

Aumake has continued to operate its online business, which continues to sell products to China through its WeChat App.

The Company continued to reduce costs, extinguish debt and preserve cash, pending the return of Chinese tourism and Chinese students.

The Company has faced with a number of risks this financial year and addressed the main risks as follows:

**Aumake Limited  
Directors' report  
31 December 2022**

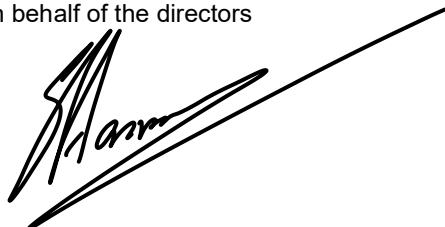
<p>(a) Covid-19 pandemic lockdowns</p>	<p>The Australian Federal and State Governments introduced lockdowns throughout calendar year 2022 disrupting retail foot traffic activity. The on and off nature and uncertainty of these lockdowns was impossible to determine.</p> <p>The City of Sydney was particularly impacted by the lockdowns and lack of foot traffic, with Management deciding best to close all physical stores until Covid-19 subsides.</p> <p>The Company continued to transition to an ecommerce online influencer based marketplace, reducing its reliance on bricks-and-mortar selling model.</p>
<p>(b) Lack of Chinese tourist</p>	<p>China has been in lockdown throughout the Covid-19 pandemic restricting its citizens from departing its sovereign territories for tourist activity. Aumake is heavily dependent on Chinese tourist and international Chinese students, both which have been missing throughout calendar year 2021 and 2022.</p> <p>Recent press releases in China are positive with China announcing relaxation of restrictions for travel within and outside of China as well as an encouragement that international students return to their overseas countries and return to physical locations to studies.</p>
<p>(c) Capital Raising</p>	<p>Aumake may find it difficult to raise additional capital.</p> <p>However the Board is confident given Aumake's large shareholder base and its good-name brand within the Chinese community, that raising additional capital when required. History reveals that the Board managed to raise capital with \$500k raised in October 2021, \$2.2m raised in November 2021, and recently \$375k was raised in November 2022.</p>

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Stephen Harrison  
Non-Executive Chairman

28 February 2023  
Sydney

# ROTHSAY

AUDIT & ASSURANCE PTY LTD

## AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

To the Directors of Aumake Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2022 there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in relation to Aumake Limited and the entities it controlled during the half-year.

**Rothsay Audit & Assurance Pty Ltd**



**Daniel Dalla**

Director

28 February 2023

**Aumake Limited**  
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**31 December 2022**

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**General information**

The financial statements cover Aumake Limited as a consolidated entity consisting of Aumake Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Aumake Limited's functional and presentation currency.

Aumake Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office is:

**Registered office**

C/- Rothsay  
Level 1, 6-10 O'Connell Street  
Sydney, NSW 2000, Australia

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 28 February 2023.

**Aumake Limited**  
**Statement of profit or loss and other comprehensive income**  
**For the half-year ended 31 December 2022**

		<b>Consolidated</b>	
	Note	31 Dec 2022	31 Dec 2021
		\$	\$
<b>Revenue</b>			
Sales revenue		2,039,120	3,684,401
Other income		474,907	488,673
	2	<b>2,514,027</b>	<b>4,173,074</b>
<b>Expenses</b>			
Cost of sales		(1,930,139)	(3,184,029)
Administrative expenses		(160,397)	(867,589)
Employee benefits expense		(753,316)	(1,322,327)
Rent and outgoings expenses		-	(97,789)
Marketing expenses		(47,258)	(138,626)
Travel and accommodation expenses		(4,444)	(11,772)
Share based payment expense		(212,986)	(122,403)
Depreciation and amortisation		(261,545)	(1,011,066)
Loss on disposal of assets		(531,616)	(35,239)
Finance costs		(4,249)	(154,457)
<b>Loss before income tax expense</b>		<b>(1,391,923)</b>	<b>(2,772,223)</b>
Income tax expense		-	-
<b>Loss after income tax expense for the half-year</b>		<b>(1,391,923)</b>	<b>(2,772,223)</b>
<b>Other comprehensive (loss) income</b>			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		(36,683)	(212,286)
<b>Total comprehensive loss attributable to owners of Aumake Limited</b>		<b>(1,428,606)</b>	<b>(2,984,509)</b>
Loss per share from continuing operations attributable to the ordinary equity holders of Aumake Limited:			
<b>Basic and diluted earnings per share (cents per share)</b>		<b>(0.16)</b>	<b>(0.36)</b>

*The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*



**Aumake Limited**  
**Statement of financial position**  
**As at 31 December 2022**

		<b>Consolidated</b>	
	<b>Note</b>	<b>31 Dec 2022</b>	<b>30 Jun 2022</b>
		<b>\$</b>	<b>\$</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		680,516	3,042,043
Trade and other receivables		20,343	75,597
Inventory		507,103	1,418,020
Financial assets		194,914	-
Other assets		85,627	78,919
<b>Total Current Assets</b>		<b>1,488,503</b>	<b>4,614,579</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment		246,181	500,055
Right-to-use assets		-	385,641
Intangible assets		4,348,920	4,500,000
Other financial assets		50,000	50,000
Other assets		25,885	27,553
<b>Total Non-Current Assets</b>		<b>4,670,986</b>	<b>5,463,249</b>
<b>TOTAL ASSETS</b>		<b>6,159,489</b>	<b>10,077,828</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	3	2,690,205	4,863,610
Provisions		233,857	597,760
Lease liabilities		-	459,237
<b>Total Current Liabilities</b>		<b>2,924,062</b>	<b>5,920,607</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		-	60,999
<b>Total Non-Current Liabilities</b>		<b>-</b>	<b>60,999</b>
<b>TOTAL LIABILITIES</b>		<b>2,924,062</b>	<b>5,981,606</b>
<b>NET ASSETS</b>		<b>3,235,427</b>	<b>4,096,222</b>
<b>EQUITY</b>			
Issued capital	4	54,197,667	53,830,842
Reserves	5	2,174,779	2,010,476
Non-controlling interests		-	(80,299)
Accumulated losses		(53,137,019)	(51,664,797)
<b>TOTAL EQUITY</b>		<b>3,235,427</b>	<b>4,096,222</b>

*The above statement of financial position should be read in conjunction with the accompanying notes*

**Aumake Limited**  
**Statement of changes in equity**  
**For the half-year ended 31 December 2022**

<b>Consolidated</b>	<b>Issued capital</b>	<b>Reserves</b>	<b>Accumulated losses</b>	<b>Non-Controlling Interests</b>	<b>Total equity</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at 1 July 2021	49,094,462	1,884,638	(45,591,993)	(28,923)	5,358,184
Total comprehensive loss for the half-year	-	(212,286)	(2,772,223)	-	(2,984,509)
<i>Transactions with owners in their capacity as owners:</i>					
Issue of share for acquisition of subsidiary	2,127,000	-	-	-	2,127,000
Capital raising, net of issue cost	2,593,380	-	-	-	2,593,380
Share-based payments	-	122,403	-	-	122,403
Balance at 31 December 2021	<b>53,814,842</b>	<b>1,794,755</b>	<b>(48,364,216)</b>	<b>(28,923)</b>	<b>7,216,458</b>

<b>Consolidated</b>	<b>Issued capital</b>	<b>Reserves</b>	<b>Accumulated losses</b>	<b>Non-Controlling Interests</b>	<b>Total equity</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at 1 July 2022	53,830,842	2,010,476	(51,664,797)	(80,299)	4,096,222
Total comprehensive loss for the half-year	-	(36,683)	(1,391,923)	-	(1,428,606)
<i>Transactions with owners in their capacity as owners:</i>					
Derecognition of non-controlling interest	-	-	(80,299)	80,299	-
Issue of shares	12,000	-	-	-	12,000
Capital raising, net of issue cost	354,825	-	-	-	354,825
Share-based payments	-	200,986	-	-	200,986
Balance at 31 December 2022	<b>54,197,667</b>	<b>2,174,779</b>	<b>(53,137,019)</b>	<b>-</b>	<b>3,235,427</b>

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

**Aumake Limited**  
**Statement of cash flows**  
**For the half-year ended 31 December 2022**

	<b>Consolidated</b>	
	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Receipts from customers	2,039,120	3,712,880
Payments to suppliers and employees	(4,722,333)	(6,429,955)
Interest received	4,513	6,319
Other revenue	166,135	482,354
	<u><b>(2,512,565)</b></u>	<u><b>(2,228,402)</b></u>
<b>Cash flows from investing activities</b>		
Cash used in acquisition of subsidiary, net of transaction cost	-	(531,590)
Payments for plant and equipment	(17,338)	(699)
Payment of bond	-	(131,385)
Reclassification to financial assets	(194,914)	(210,667)
	<u><b>(212,252)</b></u>	<u><b>(874,341)</b></u>
<b>Cash flows from financing activities</b>		
Net proceeds from issue of shares	375,000	2,727,000
Share issue costs	(20,175)	(133,620)
	<u><b>354,825</b></u>	<u><b>2,593,380</b></u>
Net decrease in cash held	(2,369,992)	(509,363)
Cash and cash equivalents at the beginning of the financial year	3,042,043	4,264,616
Effects of exchange rate changes on cash and cash equivalents	8,465	(47,353)
	<u><b>680,516</b></u>	<u><b>3,707,900</b></u>
Cash and cash equivalents at the end of the financial half-year	<u><b>680,516</b></u>	<u><b>3,707,900</b></u>

*The above statement of cash flows should be read in conjunction with the accompanying notes*

**Aumake Limited**  
**Notes to the financial statements**  
**31 December 2022**

**Note 1. Significant accounting policies**

These general purpose financial statements for the interim half-year reporting period ended 31 December 2022 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

**New or amended Accounting Standards and Interpretations adopted**

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Going concern**

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

As disclosed in the financial statements, the consolidated entity incurred a loss of \$1,391,923 and had outflows from operating activities of \$2,512,565 for the half-year ended 31 December 2022.

These factors indicate material uncertainty related to the ability of the Group to continue as a going concern.

The ability of the consolidated entity to continue as a going concern is principally dependent upon the ability of the consolidated entity to manage cash flows in line with available funds and to secure funds by raising additional capital from equity markets, as and when required.

The Directors believe that there are reasonable grounds that the consolidated entity will be able to continue as a going concern, after consideration of the following factors:

- Implementation of a restructuring plan which is being actioned as illustrated by the following outcomes.
- The consolidated entity held a positive cash position of \$680,516 as at 31 December 2022 and has prepared a cash flow forecast to manage cash in line with available funds;
- The Company executed a Debt Release Deed whereby Grand Aust International Pty Ltd and Grand Aust New Zealand Pty Ltd agreed to convert \$1,423,094 of debt into Aumake equity (subject to shareholder approval). This action will improve the Company's Net Asset position to \$4,658,521;
- The consolidated entity has scaled back its operations, reduced staff, closed all physical stores, is focusing on its social e-commerce marketplace platform, and the cash flow benefit of these activities will start to be felt in the second half of financial year 2023; and
- The consolidated entity expects to be successful in sourcing further capital from the issue of additional equity securities to fund its ongoing operations, as and when required.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, nor to amounts of classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

**Aumake Limited**  
**Notes to the financial statements**  
**31 December 2022**

**Note 2. Revenue**

	<b>Consolidated</b>	
	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
	<b>\$</b>	<b>\$</b>
<b>From continuing operations</b>		
<i>Sales revenue</i>		
Sale of goods	2,039,120	3,684,401
<i>Other revenue</i>		
Interest	4,513	6,319
Other revenue	470,394	482,354
	<u>474,907</u>	<u>488,673</u>
Revenue from continuing operations	<u><b>2,514,027</b></u>	<u><b>4,173,074</b></u>

Revenue from contracts with customers are recognised at a point in time, when the customer obtains control of the goods, which is generally at the time of delivery.

**Note 3. Trade and other payables**

	<b>Consolidated</b>	
	<b>31 Dec 2022</b>	<b>30 Jun 2022</b>
	<b>\$</b>	<b>\$</b>
Trade payables and accrued expenses <sup>1</sup>	2,641,372	4,418,676
Payment in advance	48,833	412,002
Other payables	-	32,932
	<u><b>2,690,205</b></u>	<u><b>4,863,610</b></u>

<sup>1</sup> The value for trade payables and accrued expenses largely consists of accrued commission of \$1,513,391 (30 Jun 2022: \$1,764,617) which are payable to travel agencies. Per Note 9 after the end of this reporting period, the Company executed a Debt Release Deed whereby Grand Aust International Pty Ltd and Grand Aust New Zealand Pty Ltd agreed to convert \$1,423,094 of debt into Aumake equity.

**Aumake Limited**  
**Notes to the financial statements**  
**31 December 2022**

**Note 4. Equity - Issued capital**

	<b>31 Dec 2022</b>	<b>30 Jun 2022</b>	<b>31 Dec 2022</b>	<b>30 Jun 2022</b>
	<b>Shares</b>	<b>Shares</b>	<b>\$</b>	<b>\$</b>
Ordinary shares-fully paid	874,446,924	771,446,924	54,197,667	53,830,842

*Movements in ordinary share capital*

	<b>31 Dec 2022</b>		<b>30 Jun 2022</b>	
	<b>No. of shares</b>	<b>\$</b>	<b>No. of shares</b>	<b>\$</b>
<b>Consolidated</b>				
At the beginning of the reporting period	771,446,924	53,830,842	537,846,761	49,094,462
Share issued for acquisition of subsidiary – Broadway	-	-	68,612,913	2,127,000
Share issued for Partnership - AI Driven	-	-	2,000,000	16,000
Conversion of ESOP to ORD	-	-	2,987,250	-
Issue of shares to a former director	3,000,000	12,000	9,000,000	-
Share issued at capital raising	100,000,000	375,000	151,000,000	2,727,000
Share issue costs	-	(20,175)	-	(133,620)
At the end of the reporting period	<b>874,446,924</b>	<b>54,197,667</b>	<b>771,446,924</b>	<b>53,830,842</b>

**Note 5. Equity – Reserves**

	<b>31 Dec 2022</b>	<b>30 Jun 2022</b>
	<b>\$</b>	<b>\$</b>
Options reserve (a)	2,260,830	2,059,844
Performance rights reserve (b)	161,773	161,773
Foreign currency translation reserve (c)	(247,824)	(211,141)
<b>Total</b>	<b>2,174,779</b>	<b>2,010,476</b>

**Aumake Limited**  
**Notes to the financial statements**  
**31 December 2022**

**Note 5. Equity – Reserves (cont.)**

**(a) Options**

	<b>December 2022</b>		<b>June 2022</b>	
	<b>No. of Securities</b>	<b>\$</b>	<b>No. of Securities</b>	<b>\$</b>
<b>Consolidated</b>				
At the beginning of reporting period	213,583,364	2,059,844	104,083,364	1,734,795
Issue of options to Non-Executive Director pursuant to Long-Term Incentive Plan with an exercise price of \$0.20 (expiry 29 September 2022)	-	13,200	-	26,183
Long-Term performance options (expiry 4 December 2024)	-	-	-	14,277
Issue of options to Director pursuant to Long-Term Incentive Plan with an exercise price of \$0.20 (expiry 4 December 2024)	-	81,853	-	162,365
Quoted Options (expiry 30/4/25 exercisable @ \$0.00)	-	83,353	17,500,000	31,428
Quoted Options (expiry 30/4/25 exercisable @ \$0.00)	-	-	13,500,000	42,750
Conversion of Options to shares	-	-	(9,000,000)	-
Quoted Options (expiry 30/4/25 exercisable @ various strike prices)	-	-	3,000,000	42,000
Quoted Options (expiry 1/2/25 exercisable @ \$0.02)	-	12,440	3,000,000	3,331
Quoted Options (expiry 1/2/25 exercisable @ \$0.04)	-	6,108	3,000,000	1,635
Quoted Options (expiry 1/2/25 exercisable @ \$0.08)	-	4,032	3,000,000	1,080
Quoted Options (expiry 31/5/25 exercisable @ \$0.045)	-	-	75,500,000	-
Expiration of Options	(138,833,364)	-	-	-
Options Issued (expiry 31/12/24 exercisable @ \$0.01)	50,000,000	-	-	-
Options Issued (expiry 31/12/24 exercisable @ \$0.01)	10,000,000	-	-	-
At the end of the reporting period	<b>134,750,000</b>	<b>2,260,830</b>	<b>213,583,364</b>	<b>2,059,844</b>

**Aumake Limited**  
**Notes to the financial statements**  
**31 December 2022**

**Note 5. Equity – Reserves (cont.)**

**(b) Performance rights**

	December 2022		June 2022	
	No. of Securities	\$	No. of Securities	\$
<b>Consolidated</b>				
At the beginning of reporting period	2,982,000	161,773	14,432,000	148,697
Class A Performance Rights lapsed	-	-	(7,000,000)	-
Issue of Class B Performance Rights to Non-Executive Director	-	-	-	14,361
Issue of Class C Performance Rights to Non-Executive Director	-	-	-	6,032
Issue of Short-Term Performance Rights to staff	-	-	-	16,086
Short-Term Performance Rights lapsed	-	-	(1,462,750)	-
Conversion of Short-Term Performance Rights to Ordinary Shares	-	-	(2,987,250)	(23,403)
At the end of the reporting period	<b>2,982,000</b>	<b>161,773</b>	<b>2,982,000</b>	<b>161,773</b>

**(c) Foreign currency translation reserve**

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

Movements in foreign currency translation reserve

	31 Dec 2022	30 Jun 2022
	\$	\$
<b>Consolidated</b>		
At the beginning of the reporting period	(211,141)	1,146
Exchange difference on translation of foreign operations	(36,683)	(212,287)
At the end of the reporting period	<b>(247,824)</b>	<b>(211,141)</b>



**Aumake Limited**  
**Notes to the financial statements**  
**31 December 2022**

**Note 6. Share-based payments**

Total expenses arising from share-based payment transactions recognised during the reporting period were as follows:

	<b>Consolidated</b>	
	<b>31 Dec 2022</b>	<b>30 Jun 2022</b>
	<b>\$</b>	<b>\$</b>
Options (a)	212,986	325,049
Performance Rights (b)	-	13,076
	<b>212,986</b>	<b>338,125</b>

**(a) Options**

Grant date	Expiry date	Exercise Price	Balance at start of year	Granted during the period	Exercised during the period	Forfeited during the period	Balance at end of the period	Vested & exercisable at end of the period
				Number	Number	Number	Number	Number
12/09/2017	12/09/2022	\$ 0.20	5,000,000	-	-	(5,000,000)	-	-
22/01/2018	22/01/2023	\$ 0.20	3,550,000	-	-	-	3,550,000	3,550,000
4/12/2020	4/12/2024	\$ 0.20	33,600,000	-	-	-	33,600,000	-
4/12/2020	4/12/2024	\$ 0.20	2,300,000	-	-	-	2,300,000	2,300,000
4/12/2020	4/12/2024	\$ 0.20	1,300,000	-	-	-	1,300,000	1,300,000
22/04/2022	30/04/2025	\$ -	17,500,000	-	-	-	17,500,000	-
22/04/2022	30/04/2025	\$ -	4,500,000	-	-	-	4,500,000	4,500,000
1/03/2022	30/04/2025	\$ 0.03	1,000,000	-	-	-	1,000,000	1,000,000
1/03/2022	30/04/2025	\$ 0.06	1,000,000	-	-	-	1,000,000	-
1/03/2022	30/04/2025	\$ 0.09	1,000,000	-	-	-	1,000,000	-
12/05/2022	1/02/2025	\$ 0.02	3,000,000	-	-	-	3,000,000	-
12/05/2022	1/02/2025	\$ 0.04	3,000,000	-	-	-	3,000,000	-
12/05/2022	1/02/2025	\$ 0.08	3,000,000	-	-	-	3,000,000	-
30/11/2022	31/12/2024	\$ 0.01	-	50,000,000	-	-	50,000,000	-
30/11/2022	31/12/2024	\$ 0.01	-	10,000,000	-	-	10,000,000	-
			<b>79,750,000</b>	<b>60,000,000</b>	-	<b>(5,000,000)</b>	<b>134,750,000</b>	<b>12,650,000</b>

All options granted to key employees, consultants and advisors of the Company are for ordinary shares in Aumake Limited which confer a right of one ordinary share for every option held.

The fair value of the options granted during the half-year was determined in accordance with the Hoadley's ESO2 valuation model – refer to 30 June 2022 Annual Report for further details.

**Aumake Limited**  
**Notes to the financial statements**  
**31 December 2022**

**(b) Performance rights**

<b>Grant date</b>	<b>Expiry date</b>	<b>Balance at start of year</b>	<b>Granted during the period</b>	<b>Exercised during the period</b>	<b>Forfeited during the period</b>	<b>Balance at end of the period</b>	<b>Vested &amp; exercisable at end of the period</b>
		<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>
4/12/2020	30/06/2023	2,100,000	-	-	-	2,100,000	2,100,000
4/12/2020	4/12/2023	882,000	-	-	-	882,000	882,000
		<b>2,982,000</b>	-	-	-	<b>2,982,000</b>	<b>2,982,000</b>

The fair value of performance rights granted during the half-year was determined in accordance with Black-Scholes option pricing model – refer to 30 June 2022 Annual Report for further details.

### **Note 7. Contingencies**

#### *Contingent assets*

The Directors are not aware of any contingent assets as at 31 December 2022 and 30 June 2022.

#### *Contingent liabilities*

The consolidated entity has given bank guarantees as at 31 December 2022 of \$188,138 (30 June 2022: \$921,564) to various landlords.

### **Note 8. Operating Segments**

The directors have considered the requirements of AASB 8 - Operating Segments and the internal reports that are reviewed by the Board in allocating resources and have concluded that at this time there are no separately identifiable segments.

Following the adoption of AASB 8, the identification of the consolidated entity's reportable segments has not changed. During the period, the consolidated entity considers that it has only operated in one segment, being operating a multi-brand, omni-channel retail business.

The consolidated entity is domiciled in Australia. Revenue from external customers is generated from Australia, New Zealand and China. Segment revenues are allocated based on the country in which the customer is located. Assets are located in Australia, New Zealand and China. As the contribution from China is insignificant to the consolidated entity, no separate disclosure is necessary.

### **Note 9. Events after the reporting period**

The ongoing impact of the Coronavirus in China has been financially negative for the consolidated entity up to 31 December 2022 and it is not practicable to estimate the potential impact, positive or negative, after the reporting date.

On 17 February 2023 the Company executed a Debt Release Deed whereby Grand Aust International Pty Ltd and Grand Aust New Zealand Pty Ltd agreed to convert \$1,423,094 of debt into Aumake equity. This action will result in a similar improvement to the net asset value of Aumake Limited.

There are no other matters or circumstances that have arisen since 31 December 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

### **Note 10. Related Party transactions**

#### *a) Parent entity*

Aumake Limited is the parent entity.

#### *b) Subsidiary*

No change in the interest in subsidiaries – refer to 30 June 2022 Annual Report.

#### *c) Key management personal compensation*

No change in the disclosures relating to key management personal – refer to 30 June 2022 Annual Report.

**Aumake Limited**  
**Directors' declaration**  
**31 December 2022**

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'S. Harrison', written over a horizontal line.

Stephen Harrison  
Non-Executive Chairman

28 February 2023  
Sydney

## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF AUMAKE LIMITED

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the accompanying half-year consolidated financial report of Aumake Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2022, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising summary of significant accounting policies and other explanatory information, and the directors' declaration of the Group comprising Aumake Limited and the entities it controlled at the half-year's end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

#### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including independence standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical requirements in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Aumake Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.



## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF AUMAKE LIMITED (continue)

### Emphasis of Matter - Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that the Group incurred a loss of \$1,391,923 during the half-year ended 31 December 2022 and, as of that date, the Group's current liabilities exceeded its total assets by \$1,435,559. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the consolidated half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half year ended on that date, and complying with AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Rothsay Audit & Assurance Pty Ltd

Daniel Dalla

Director

Sydney, 28 February 2023