

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 2023
Previous period: For the half-year ended 31 December 2022

Results for announcement to the market

	31 Dec 2023	31 Dec 2022
Revenues from ordinary activities up 726%	16,845,417	2,039,120
Loss from ordinary activities after tax attributable to the owners of Aumake Limited down 2%	1,361,674	1,391,923
Loss for the half-year attributable to the owners of Aumake Limited down 2%	1,361,674	1,391,923

Commentary on the results

Please refer to the “Review of Operations” section included within the directors’ report of the attached Interim Financial Report for the half-year ended 31 December 2023.

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

	31 Dec 2023 Cents	31 Dec 2022 Cents
Net tangible assets per ordinary security	<u>0.07</u>	<u>(0.13)</u>

Aumake Limited
Appendix 4D
Half-year report

Investments in Associates or Joint Ventures

There are no associates or joint venture entities.

Audit

The Company's financial statements were subject to a review by the auditors and the auditor's review report is attached as part of the attached half-year ended 31 December 2023 Interim Financial Report.

Attachments

The financial statements of Aumake Limited for the half-year ended 31 December 2023 is attached.

As authorized by the Board of Directors

A handwritten signature in black ink, appearing to read 'S. Harrison', is written over a diagonal line that extends from the bottom left towards the top right.

Stephen Harrison
Non-Executive Chairman

29 February 2024
Sydney

Aumake Limited

ACN 150 110 017

Interim Financial Report - 31 December 2023

Aumake Limited
Directors' report
31 December 2023

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 2023.

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)
Zhao (Tracy) Zhang (Executive Director)
Li (Alex) Li (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 social e-commerce marketplace platforms.

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 \$1,361,674 (31 December 2022: \$1,391,923).

Significant changes in the state of affairs

Towards the end of financial year 2023 Aumake had secured two strategic investors in (a) Grand Aust International Pty Ltd and (b) HK Huibeijia Brand Manage Co. Ltd (HKH) and also raised capital. In August 2023 Aumake announced its Strategic Plan which encompasses three critical pillars: products, market channels, and resource integration, and over the last six months to 31 December 2023 activated this Plan.

Whilst Aumake has continued to operate its online business, which continues to sell products to China through its WeChat App, it also partnered with HKH selling into its extensive network with revenue of \$16,845,417 in 1HY24 (compared to \$2,039,120 1HY23 when HKH was not involved). Selling via stores has not yet returned and when it does Aumake is looking to do this via outsourced partnering.

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

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

- | | |
|-----------------------------|---|
| (a) Lack of Chinese tourism | China has experienced lockdowns throughout the Covid-19 pandemic which restricted its citizens from departing its sovereign territories for tourist activity. |
| | China has relaxed restrictions for travel within and outside of China as well as encouraging international students return to their overseas countries and return to physical locations to studies. |
| | On 10 August 2023 the Chinese Government announced that Australia has once again been included on the list of countries for China's Approved Destination Status (ADS) scheme. Guided tour |

groups are yet to return to Australia in numbers similar to pre-pandemic levels.

(b) Capital Raising

During this financial year Aumake raised \$1,487,256 via Novus Capital Ltd and has also secured a non-dilutive funding package of \$2m from a new key strategic stakeholder by way of a loan subsequent to the end of the half year.

The Board is confident given Aumake's large shareholder base, its good name brand within the Chinese community, stronger financial position, number of key vested stakeholders, that raising capital will be possible when required.

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

29 February 2024
Sydney

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 2023 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.

In.Corp Audit & Assurance Pty Ltd



Daniel Dalla
Director

Sydney, 29 February 2024

In.Corp Audit & Assurance Pty Ltd
ABN 14 129 769 151

Level 1
6-10 O'Connell Street
SYDNEY NSW 2000

Suite 11, Level 1
4 Ventnor Avenue
WEST PERTH WA 6005

GPO BOX 542
SYDNEY NSW 2001

T +61 2 8999 1199
E team@incorpadvisory.au
W incorpadvisory.au

Aumake Limited
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General information

The Interim Financial Report covers Aumake Limited as a consolidated entity consisting of Aumake Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2023. The financial statements are presented in Australian dollars, which is Aumake Limited's functional and presentation currency.

Directors	Stephen Harrison, Non-Executive Chair Jiahua (Joshua) Zhou, Managing Director Zhao (Tracy) Zhang, Executive Director Li (Alex) Li, Non-Executive Director
Company Secretary	Anand Sundaraj
Share register	Advanced Share Registry Services 110 Stirling Highway Nedlands WA 6009 Telephone: (08) 9389 8033
Auditor	In.Corp Audit & Assurance Pty Ltd (formerly known as Rothsay Audit & Assurance Pty Ltd) Level 1, 6-10 O'Connell Street Sydney NSW 2000
Stock exchange listing	Aumake Limited shares are listed on the Australian Stock Exchange (ASX: AUK)
Website	www.aumake.com.au

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

Level 15, Suite 15.52
60 Station Street East
Parramatta NSW 2150 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 Interim Financial Report of Aumake Limited for the half-year ended 31 December 2023 was authorised for issue, in accordance with a resolution of directors, on 29 February 2024.

Aumake Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2023

		Consolidated	
	Note	31 Dec 2023	31 Dec 2022
		\$	\$
Revenue			
Sales revenue		16,845,417	2,039,120
Other income		37,893	474,907
	2	<u>16,883,310</u>	<u>2,514,027</u>
Expenses			
Cost of sales		(16,528,341)	(1,930,139)
Administrative expenses		(430,087)	(160,397)
Employee benefits expense		(540,600)	(753,316)
Rent and outgoings expenses		(34,462)	-
Marketing expenses		(176,990)	(47,258)
Travel and accommodation expenses		(46,776)	(4,444)
Share based payment expense		(295,043)	(212,986)
Depreciation and amortisation		(191,869)	(261,545)
Loss on disposal of assets		-	(531,616)
Finance costs		(816)	(4,249)
Loss before income tax expense		<u>(1,361,674)</u>	<u>(1,391,923)</u>
Income tax expense		-	-
Loss after income tax expense for the half-year		<u>(1,361,674)</u>	<u>(1,391,923)</u>
Other comprehensive (loss) income			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		(4,304)	(36,683)
Total comprehensive loss attributable to owners of Aumake Limited		<u>(1,365,978)</u>	<u>(1,428,606)</u>
Loss per share from continuing operations attributable to the ordinary equity holders of Aumake Limited:			
Basic and diluted earnings per share (cents per share)		<u>(0.07)</u>	<u>(0.16)</u>

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 2023

		Consolidated	
	Note	31 Dec 2023	30 Jun 2023
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		1,688,095	1,393,865
Trade and other receivables		1,230,132	11,070
Inventory		1,393,160	320,516
Financial assets – term deposits		150,825	156,018
Other assets		107,541	43,512
Total Current Assets		4,569,753	1,924,981
NON-CURRENT ASSETS			
Plant and equipment		139,556	174,852
Intangible assets		4,046,759	4,197,839
Other financial assets		50,000	50,000
Other assets		29,110	25,159
Total Non-Current Assets		4,265,425	4,447,850
TOTAL ASSETS		8,835,178	6,372,831
CURRENT LIABILITIES			
Trade and other payables	3	3,074,654	1,000,335
Provisions		321,865	260,923
Total Current Liabilities		3,396,519	1,261,258
TOTAL LIABILITIES		3,396,519	1,261,258
NET ASSETS		5,438,659	5,111,573
EQUITY			
Issued capital	4	59,081,989	57,422,605
Reserves	5	2,157,868	2,382,833
Accumulated losses		(55,801,198)	(54,693,865)
TOTAL EQUITY		5,438,659	5,111,573

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 2023

Consolidated	Issued capital	Reserves	Accumulated losses	Non-Controlling Interests	Total equity
	\$	\$	\$	\$	\$
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	54,197,667	2,174,779	(53,137,019)	-	3,235,427

Consolidated	Issued capital	Reserves	Accumulated losses	Non-Controlling Interests	Total equity
	\$	\$	\$	\$	\$
Balance at 1 July 2023	57,422,605	2,382,833	(54,693,865)	-	5,111,573
Total comprehensive loss for the half-year	-	(4,304)	(1,269,106)	-	(1,273,410)
<i>Transactions with owners in their capacity as owners:</i>					
Capital raising, net of issue cost	1,398,021	-	-	-	1,398,021
Share-based payments (Note 6)	192,000	103,043	-	-	295,043
Derecognition of issued, expired, and forfeited options	69,363	(323,704)	254,341	-	-
Balance at 31 December 2023	59,081,989	2,157,868	(55,801,198)	-	5,438,659

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 2023

	Consolidated	
	31 Dec 2023	31 Dec 2022
	\$	\$
Cash flows from operating activities		
Receipts from customers	15,626,354	2,039,120
Payments to suppliers and employees	(16,763,472)	(4,722,333)
Interest received	7,328	4,513
Interest paid	(816)	-
Other revenue	45,553	166,135
	<u>1,085,053</u>	<u>(2,512,565)</u>
Net cash used in operating activities		
Cash flows from investing activities		
Payments for plant and equipment	(6,124)	(17,338)
Payment of bond	(8,310)	-
Reclassification to financial assets	-	(194,914)
	<u>(14,434)</u>	<u>(212,252)</u>
Net cash used in investing activities		
Cash flows from financing activities		
Net proceeds from issue of shares	1,487,256	375,000
Share issue costs	(89,235)	(20,175)
	<u>1,398,021</u>	<u>354,825</u>
Net cash from financing activities		
Net increase/(decrease) in cash held	298,534	(2,369,992)
Cash and cash equivalents at the beginning of the financial year	1,393,865	3,042,043
Effects of exchange rate changes on cash and cash equivalents	(4,304)	8,465
	<u>1,688,095</u>	<u>680,516</u>
Cash and cash equivalents at the end of the financial half-year		

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

Note 1. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2023 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 2023 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 \$1,365,978 and had outflows from operating activities of \$1,085,053 for the half-year ended 31 December 2023.

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:

- The Group has cash and cash equivalent of \$1,688,095 as at 31 December 2023 and has prepared a cash flow forecast to manage cash in line with available funds;
- The Group has reduced or removed all non-essential costs in order to conserve cash;
- Subsequent to the half year end, the Group has secured a non-dilutive funding package of \$2,000,000 from a key strategic stakeholder by way of a loan. This funding will significantly enhance the Company's procurement, OEM brand development, and production capabilities;
- The Group is working on delivering the three pillars of its announced strategic plan and the Board is happy with progress made to date and the pipeline of activities; and
- The Group 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 2023

Note 2. Revenue

	Consolidated	
	31 Dec 2023	31 Dec 2022
	\$	\$
From continuing operations		
<i>Sales revenue</i>		
Sale of goods	16,845,417	2,039,120
<i>Other revenue</i>		
Interest	7,328	4,513
Other revenue	30,565	470,394
	<u>37,893</u>	<u>474,907</u>
Revenue from continuing operations	<u>16,883,310</u>	<u>2,514,027</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.

Geographical

Australia	1,217,841	2,039,120
Hong Kong	15,532,486	-
Mainland China	95,090	-
Sale of goods	<u>16,845,417</u>	<u>2,039,120</u>

Note 3. Trade and other payables

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$	\$
Trade payables and accrued expenses ¹	2,796,832	972,667
Payment in advance	269,582	27,668
Other payables	8,240	-
	<u>3,074,654</u>	<u>1,000,335</u>

¹ The value for trade payables and accrued expenses largely consists of stock purchase of \$1,954,566 (30 Jun 2023: \$77,492) which are payable to stock suppliers, accrued rent of \$507,608 (30 Jun 2023: \$575,790) which are payable to landlords and accrued commissions of \$209,080 (30 Jun 2023: \$208,767 – slight change in value due to FX movement) which are payable to travel agents.

Aumake Limited
Notes to the financial statements
31 December 2023

Note 4. Equity - Issued capital

	31 Dec 2023 Shares	30 Jun 2023 Shares	31 Dec 2023 \$	30 Jun 2023 \$
Ordinary shares-fully paid	1,914,406,802	1,487,259,469	59,041,959	57,422,605

Movements in ordinary share capital

	31 Dec 2023		30 Jun 2023	
	No. of shares	\$	No. of shares	\$
Consolidated				
At the beginning of the reporting period	1,487,259,469	57,422,605	771,446,924	53,830,842
Conversion of options to ordinary shares	7,333,333	69,363	-	-
Share issued to former Director	-	-	3,000,000	12,000
Share issued for conversion of debts	-	-	172,549,212	1,469,218
Share issued in recognition of contributions made by allottees	48,000,000	192,000	-	-
Share issued at capital raising	371,814,000	1,487,256	540,263,333	2,130,720
Share issue costs	-	(89,235)	-	(20,175)
At the end of the reporting period	1,914,406,802	59,081,989	1,487,259,469	57,422,605

Note 5. Equity – Reserves

	31 Dec 2023	30 Jun 2023
	\$	\$
Options reserve (a)	2,367,723	2,426,611
Performance rights reserve (b)	-	161,773
Foreign currency translation reserve (c)	(209,855)	(205,551)
Total	2,157,868	2,382,833

Note 5. Equity – Reserves (cont.)

(a) Options

	December 2023		June 2023	
	No. of Securities	\$	No. of Securities	\$
Consolidated				
At the beginning of reporting period	194,214,810	2,426,611	213,583,364	2,059,844
Issue of options to Non-Executive Director pursuant to Long-Term Incentive Plan with an exercise price of \$0.20 (expiry 29 September 2022)	-	-	-	26,183
Issue of options to Director pursuant to Long-Term Incentive Plan with an exercise price of \$0.20 (expiry 4 December 2024)	-	69,777	-	162,365
Quoted Options (expiry 30/4/25 exercisable @ \$0.00)	-	23,126	-	133,429
Conversion of options to ordinary shares	(7,333,333)	(69,363)	-	-
Quoted Options (expiry 1/2/25 exercisable @ \$0.02)	-	-	-	24,677
Quoted Options (expiry 1/2/25 exercisable @ \$0.04)	-	6,108	-	12,115
Quoted Options (expiry 1/2/25 exercisable @ \$0.08)	-	4,032	-	7,998
Expiration of Options	(5,000,000)	(92,568)	(142,383,364)	-
Options Issued (expiry 31/12/24 exercisable @ \$0.008)	-	-	70,666,666	-
Options Issued (expiry 31/5/25 exercisable @ \$0.0085)	-	-	52,348,144	-
At the end of the reporting period	181,881,477	2,367,723	194,214,810	2,426,611

Note 5. Equity – Reserves (cont.)

(b) Performance rights reserve

	December 2023		June 2023	
	No. of Securities	\$	No. of Securities	\$
Consolidated				
At the beginning of reporting period	2,982,000	161,773	2,982,000	161,773
Short-Term Performance Rights lapsed	-	(92,099)	-	-
Class B Performance Rights lapsed	(2,100,000)	(49,066)	-	-
Class C Performance Rights lapsed	(882,000)	(20,608)	-	-
At the end of the report period	<u>-</u>	<u>-</u>	<u>2,982,000</u>	<u>161,773</u>

(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 2023	30 Jun 2023
	\$	\$
Consolidated		
At the beginning of the reporting period	(205,551)	(211,141)
Exchange difference on translation of foreign operations	(4,304)	5,590
At the end of the reporting period	<u>(209,855)</u>	<u>(205,551)</u>

Aumake Limited
Notes to the financial statements
31 December 2023

Note 6. Share-based payments

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

	31 Dec 2023	30 Jun 2023
	\$	\$
Options (a)	103,043	366,767
Performance Rights (b)	-	-
Shares issue	192,000	12,000
	<u>295,043</u>	<u>378,767</u>

(a) Options

Grant date	Expiry date	Exercise Price	Balance at start of year	Granted during the period	Exercised /Converted 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
4/12/2020	4/12/2024	\$ 0.20	33,600,000	-	-	-	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	\$ 0.00	17,500,000	-	(5,833,333)	-	11,666,667	-
22/04/2022	30/04/2025	\$ 0.00	4,500,000	-	(1,500,000)	-	3,000,000	3,000,000
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	1,000,000
1/03/2022	30/04/2025	\$ 0.09	1,000,000	-	-	-	1,000,000	1,000,000
12/05/2022	1/02/2025	\$ 0.02	3,000,000	-	-	-	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	-
			71,200,000	-	(7,333,333)	-	63,866,667	46,200,000

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 2023 Annual Report for further details.

Note 6. Share-based payments (cont.)

(b) Performance rights

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

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 2023 Annual Report for further details.

Note 7. Contingencies

Contingent assets

The Directors are not aware of any contingent assets as at 31 December 2023 and 30 June 2023.

Contingent liabilities

The Directors are not aware of any contingent liabilities as at 31 December 2023 and 30 June 2023.

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, Hong Kong and China Mainland. Segment revenues are allocated based on the country in which the customer is located. Assets are located in Australia, Hong Kong, China Mainland and New Zealand. The New Zealand segment held assets but did not generate revenue for the half year ending 31 December 2023.

Note 9. Events after the reporting period

On 26 February 2024 the Company announced that it had secured a non-dilutive funding package of \$2 million from a key strategic stakeholder by way of a loan to a majority owned subsidiary Newera Australia Pty Ltd (Newera). The key stakeholder has acquired a 49% stake in Newera with the Company retaining 51%. The purpose of the funding is to enhance Aumake's supply chain capabilities.

Apart from this announcement, there have been no matters that have arisen subsequent to the end of the half-year ended 31 December 2023 to report on.

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 2023 Annual Report.
- c)** *Key management personal compensation*
No change in the disclosures relating to key management personal – refer to 30 June 2023 Annual Report.

Aumake Limited
Directors' declaration
31 December 2023

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 2023 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



Stephen Harrison
Non-Executive Chairman

29 February 2024
Sydney

AUMAKE LIMITED
INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Aumake Limited

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 2023, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the 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, 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 Aumake Limited 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 2023 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 company 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.

In.Corp Audit & Assurance Pty Ltd
ABN 14 129 769 151

Level 1
6-10 O'Connell Street
SYDNEY NSW 2000

Suite 11, Level 1
4 Ventnor Avenue
WEST PERTH WA 6005

GPO BOX 542
SYDNEY NSW 2001

T +61 2 8999 1199
E team@incorpadvisory.au
W incorpadvisory.au

AUMAKE LIMITED

INDEPENDENT AUDITOR'S REVIEW REPORT (continued)

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 net loss of \$1,365,978 and cash outflows from operating activities of \$1,085,053 during the half-year ended 31 December 2023. As stated in Note 1, these events and 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 conclusion 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 Responsibilities for the Review of the Financial Report

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 company's financial position as at 31 December 2023 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.

In.Corp Audit & Assurance Pty Ltd



Daniel Dalla
Director

Sydney, 29 February 2024