



22 July 2024

Aumake Enters into Strategic Procurement Framework with Chinese SOE Yangtze River New Silk Road International Logistics (Hubei) Group Co., Ltd

KEY HIGHLIGHTS:

- **AUMAKE LIMITED ('AUMAKE') ENTERS STRATEGIC CO-OPERATION FRAMEWORK WITH CHINESE STATE-OWNED ENTERPRISE ('SOE') YANGTZE RIVER NEW SILK ROAD INTERNATIONAL LOGISTICS (HUBEI) GROUP CO., LTD ("YANGTZE RIVER").**
- **YANGTZE RIVER, A WHOLLY OWNED SUBSIDIARY OF HUBEI PORT GROUP, WAS ESTABLISHED IN JUNE 2017 WITH REGISTERED CAPITAL OF 1 BILLION RMB, AND A TEAM OF 475 STAFF. YANGTZE RIVER FOCUSES ON ENHANCING HUBEI'S INTER-MODAL TRANSPORTATION HUB BY INTEGRATING WATERWAY, RAILROAD, HIGHWAY LOGISTICS, AND TRADE SERVICES.**
- **UNDER THE FRAMEWORK BOTH PARTIES HAVE AGREED TO DEVELOP A CLEAR PROCUREMENT PLAN WHEREBY YANGTZE RIVER INTENDS TO PURCHASE A MINIMUM OF A\$100M WORTH OF AUSTRALIAN GOODS FROM AUMAKE, WITH A TOTAL PROCUREMENT PLAN OF A\$300M OVER THREE (3) YEARS.**
- **THROUGH ITS SUPPLY CHAIN NETWORKS AUMAKE WILL ASSIST YANGTZE RIVER IN PROCURING AUSTRALIAN AGRICULTURAL AND LIVESTOCK PRODUCTS, FAST-MOVING CONSUMER GOODS (FMCGs), FROZEN GOODS, AND BULK RESOURCE COMMODITIES.**
- **AUMAKE TO LEVERAGE ESTABLISHED LOGISTICS AND SUPPLY CHAIN NETWORK OF YANGTZE RIVER TO STREAMLINE COSTS AND ACHIEVE HIGHER MARGIN SALES AS THE COMPANY LOOKS TO ACCELERATE PROFITABILITY**
- **AUMAKE WILL LOOK TO FORM STRATEGIC ALLIANCES WITH DOMESTIC PARTNERS TO ASSIST IN FULFILLING DEMAND FROM YANGTZE RIVER.**

AUMAKE LIMITED (ASX: AUK) ('Aumake' or 'The Company') is pleased to announce that on Friday 19 July 2024, it has entered a non-binding three (3) year strategic co-operation framework with Chinese State-Owned Enterprise ("SOE") Yangtze River New Silk Road International Logistics (Hubei) Group Co., Ltd ("Yangtze River") to establish a comprehensive end-to-end supply chain network for Australian goods and services.

Under the three (3) year framework, commencing 22 July 2024, Yangtze River intends to purchase a minimum of A\$100M worth of Australian goods from Aumake each year, valuing the framework at a minimum of A\$300M. At the beginning of each agreement year, both companies will formulate detailed procurement plans clearly specifying the types of goods, quantities, and delivery schedules.

Key Features of Strategic Framework

Under the strategic framework Aumake will utilise its extensive sales channels in Australia to assist Yangtze River in developing a supply chain network for Australian products. The procurement network will focus on Australian agricultural and livestock products, fast-moving consumer goods (FMCGs), frozen goods, and bulk resource commodities.

Through the co-operative framework, Aumake will also be able to integrate and leverage Yangtze River's port, warehousing, logistics, and trade resources in Hubei, China into its existing supply chain network. This sharing of strategic resources will allow Aumake to significantly streamline its cost profile and help drive improved margins as the company looks to accelerate profitability in FY25.

Aumake to Establish Strategic Alliances

To assist in forming the comprehensive supply chain network and fulfilling specific procurement orders from Yangtze River, Aumake will look to establish strategic alliances with domestic partners for specific Australian goods and services.

To assist the individual strategic alliances partners, Aumake will look to integrate its newly launched digital marketing assistant Streamii into the operations of its partners to assist with cross-border sales management.

Aumake has begun this process by leveraging on its established relationship with Petersons Wines and the successful establishment of a new company, Hunter Valley Wine and Tourism Alliance Pty Ltd. This joint venture marks the launch of an innovative conceptual tourism and wine gift store under the brand 'Wine Couture.'

Aumake's Managing Director, Joshua Zhou, commented:

"Entering this agreement represents a significant milestone for the company. We are extremely delighted to be working with Yangtze River New Silk Road International Logistics (Hubei) Group Co., Ltd through our collaborative strategic framework.

We continue to demonstrate our value as innovative and trusted partners in bridging China and Australia trade. Further opportunities in these key areas are progressing, which have the potential to broaden into more significant agreements over time.

It is an exciting time for the industry and Aumake is well placed to solidify its position as a pioneer in cross-border sales between Australia and China.

We are looking forward to meet with representatives from Yangtze River in mid-August to conduct a formal signing ceremony."

Authorised for release by the Board of Aumake Limited

Joshua Zhou
Managing Director

About Aumake:

Aumake Limited (Aumake or the company) (ASX: AUK) is a company with strong brand acceleration and sales capabilities, positioning it as a pioneer in delivering high-quality brands and products from Australia and New Zealand to the Asia market.

About Yangtze River New Silk Road International Logistics (Hubei) Group Co., Ltd:

Yangtze River New Silk Road International Logistics (Hubei) Group Co., Ltd., a wholly owned subsidiary of Hubei Port Group, is established in June 2017 with a registered capital of 1 billion RMB and a team of 475 staff. They focus on enhancing Hubei's inter-modal transportation hub, integrating waterway, railroad, and highway logistics. Their main operations include multi-modal transport, logistics park management, and integrated transport and trade services. They own eight logistics industrial parks, covering over 1,265 acres. As an innovative enterprise, they support the Wuhan Yangluo International Rail-Water Intermodal Transportation Project, fostering a modern logistics supply chain network.

Forward Looking Statement:

This announcement may contain forward-looking statements, including statements regarding: plans, strategies and objectives of management; anticipated revenue, products, and stores; operating costs; Chinese tourism; Governmental policies and preferences (both Australian and Chinese).

Forward-looking statements can be identified by the use of terminology such as 'intend', 'aim', 'project', 'anticipate', 'estimate', 'plan', 'believe', 'expect', 'may', 'should', 'will', 'continue', 'annualised' or similar words. These statements discuss future expectations concerning the results of operations or financial condition, or provide other forward-looking statements.

These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this presentation. Readers are cautioned not to put undue reliance on forward-looking statements.

Except as required by applicable regulations or by law, the Group does not undertake any obligation to publicly update or review any forward-looking statements, whether as a result of new information or future events.

Past performance cannot be relied on as a guide to future performance.