

Appendix 4C Cashflow Statement and Quarterly Activities Report

About Aumake Limited

Aumake Limited (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 Asian Market.

Board & Management

Ms. Hai Yun Chen – Executive Director & Chief Executive Officer

Mr. Jiahou Zhou – Managing Director

Ms. Zhao Zhang – Executive Director

Dr. Anthony Noble – Non-Executive Chairman

Mr. Li (Alex) Li – Non-Executive Director

Capital Structure

Share Price¹: \$0.004

Shares o/s: 3,011M

Market Cap.: \$12.04M

Corporate Details

ASX: AUK

E: contact@aumake.com.au

Aumake Limited (the Company or **Aumake**) (ASX: **AUK**) is pleased to present its quarterly activities update and Appendix 4C Cashflow Statement for the three months ended 31 March 2025 (**Q3 FY25**).

Highlights

- **Strong growth in cash receipts to A\$12.7m**, a 160% improvement from the previous corresponding period (PCP) Q3 FY24 and an 11% improvement compared to Q2 FY25.
- **75% improvement in net cash used in operations for the quarter** compared to Q2 FY25, falling to \$286k, due to operational improvements and maturing sales channels.
- The Company executed on several new partnership agreements expected to drive future sales growth, including;
 - **A two-year e-commerce agreement with Sichuan Airlines E-Commerce Co., Ltd.**, a subsidiary of Sichuan Airlines.
 - **A three-year exclusive distribution agreement with Kabrita** for Australian and New Zealand market.
 - **A distribution agreement with one of China's largest private distributors** in the agricultural product sector - Henan Wanbang, Huinong Supply Chain Management Co.
- Dr. Anthony Noble was appointed as Non-Executive Chairman replacing Mr Stephen Harrison.
- The Company implemented meaningful reductions in senior staff salaries and directors' fees in April that are expected to result in further improvements in net cash used in operations in Q4.

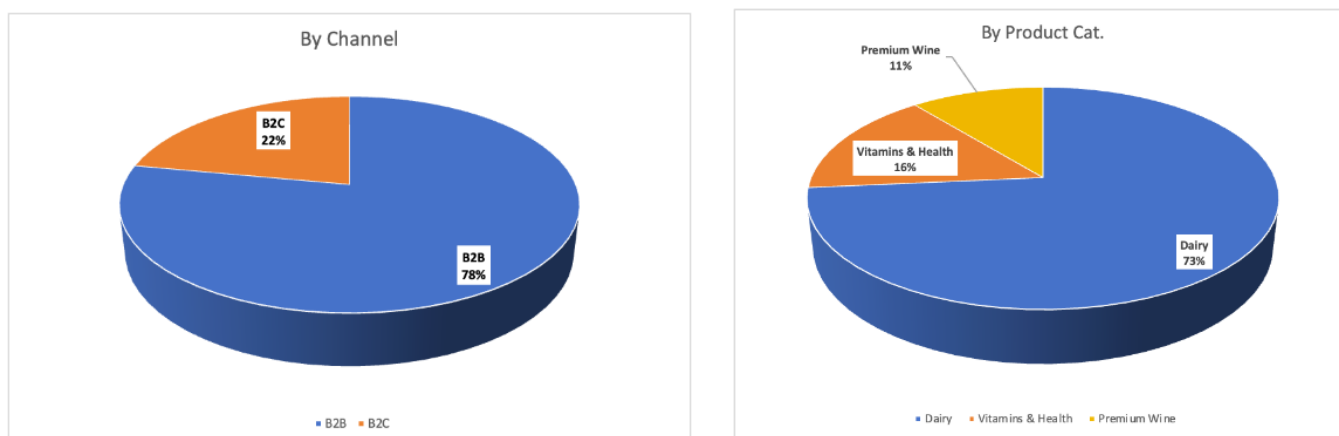


CEO, Hai Yun Chen, commented on the quarterly performance “The Company has continued to execute on sales through our growing channels in the ecommerce and bricks and mortar stores in China. While our core business that focuses on infant formula and nutritional dairy products continued to grow, we also added important new segments of revenue, particularly notably in the premium wine sector. In addition to sales execution, the Company also achieved several meaningful strategic partnerships in the quarter. Most notably, we were able to achieve more than a quarter of a million dollars in sales through our airline partnership and approximately A\$1.5 million in sales in the first quarter of our distribution deal with Kabrita.

“The Company is focussed on cashflow management and driving towards break even, as soon as possible, while not sacrificing sales growth. To this end, all three executive directors have reduced their salaries and fees in the final quarter of FY25, to support this focussed effort.”

Financial Update

During the quarter, the Company receipted A\$12.7 million from customers (an 11% improvement from last quarter FY25 and a 160% improvement compared to Q3 FY24 (PCP). 78% of sales were in the Business-to-Business (B2B) channel, while 22% of sales were online direct to consumer (B2C) sales.



The Company continued to expand its product diversification, generating approximately 11% of cash receipts (over A\$1.1 million) from wine sales this quarter, and 16% of sales from Vitamins and Health products in addition to continued strong sales in dairy products, including infant formula and adult dairy products.

The Company ended the quarter with over \$3.3m cash at bank.

Focus on Cost Controls and Operational Cashflow

Operational efficiency remained a priority during the quarter, with the Company focused on fulfilling its growing pipeline of orders. The company's established logistics and supply chain capabilities have enabled it to meet partner expectations while maintaining scalability. Initiatives to streamline operations and optimise cash retention have further supported its ability to deliver consistent results across the portfolio.

The Company is committed to stringent capital and cash flow management, announcing in April 2025 that the executive director fees have been reduced resulting in a going forward annual saving of more than A\$400,000 and that the CEO will undertake a detailed and systemic review of the Company's fixed cost base, with the objective of achieving cash flow positivity on its pathway to profitability.

Operational Update

In January 2025 the Company was pleased to announce that it had signed a two-year e-commerce collaboration agreement with Sichuan Airlines E-Commerce Co., Ltd., a subsidiary of Sichuan Airlines, one of China's leading airlines. This agreement, effective from 1 January 2025 to 31 December 2026, positions Aumake Hong Kong Limited as an authorised supplier to Sichuan Airlines's e-commerce platform. The agreement followed a first order valued at A\$281,361 which includes premium high-margin Australian alcohol products. Sales and cash receipts corresponding to the order by Sichuan Airlines E-Commerce Co., Ltd fell in this quarter.

In March the Company announced that it had entered into a distribution agreement with Henan Wanbang, Huinong Supply Chain Management Co., one of China's largest private distributors, with more than 7,000 fixed business owners and their customer network selling more than US\$1.0 billion in products annually. We have delivered 3 small trial orders in Australian fruit and produce since the signing of this agreement. This agreement significantly expands the Company's market reach in China and will improve revenue stability, providing a structured pathway for long-term growth whilst reducing barriers to entry in China's expanding imported goods sector. Henan Wanbang represents a key channel for fruit, vegetable and other agricultural products into China.

In April the Company signed the three-year exclusive distribution agreement for Kabrita High-Calcium Adult Goat Milk Powder in Australia and New Zealand. Sales

in our distribution channels and cross border ecommerce stores since signing of the agreement have exceeded A\$1.5 million.

The Company continues to develop relationships that will assist in diversifying its product portfolio and strengthen its presence in high-demand sectors. The Company remains focused on delivering high-quality, health-driven products that meet the evolving needs of consumers in Australia, New Zealand, and the broader Asia-Pacific market.

There were no sales in the quarter falling under the initial binding purchase order for \$16m from Yangtze River, previously announced the market and then updated in the prior Appendix 4C for Q2. The Company has faced ongoing delays in decision making within the partner company, which is a State-Owned Enterprise (SOE) and foresees that there may be future challenges in meeting the price expectations from Yangtze River for the health supplement, dairy products and beef products which are the subject of the initial Purchase Order. Negotiations related to this order are ongoing between Yangtze River and the Company. The Company is currently holding a deposit of \$960k from Yangtze River.

Strategic Update

The Company remains committed to building on its existing partnerships and exploring new opportunities in Asia's high-growth markets. With three key growth areas:

1. **Leverage our established distribution networks** and channels to deepen strategic partnerships and accelerate expansion into “*private channel*” ecosystems. Ensuring sustained customer engagement and scalable revenue growth. This includes utilising the robust customer bases of JD.com and Tmall to direct traffic to the Aumake WeChat Mini Program and other sales systems including cultivating proprietary private domain channels. Our strategy is to develop a closed-loop system to autonomously nurture and manage customer groups, enabling long-term engagement and retention which will reduce reliance on public domain platforms like Tmall and JD.com, ensure sustained user loyalty and repurchase rates, lower platform service fees, and boost sales profitability while maintaining robust scalability. In addition to these channels, the Company is collaborating with key State-Owned Enterprises, the Company is well-positioned to achieve sustainable growth and create value for its shareholders.

2. **Strengthen strategic partnerships with leading global brands** to drive accelerated revenue growth and ensure long-term profitability. Building on the momentum of our successful launch with Kabrita, Aumake to bring new brands into our portfolio will increase sales revenue, while driving profitability.
3. **Build a Proprietary Brand Portfolio in the Health and Aging Sector** to allow the Company to launch a portfolio of proprietary brands targeting consumers in both Australia and across Asia. These brands will be sold through our existing cross-border e-commerce platforms, partner stores (totalling 81 online retail channels), and general trade markets in China, Vietnam, and Thailand. This strategic initiative will optimise the Company's revenue structure and improve overall blended margins by adding higher-margin products to the portfolio.

Appointment of Dr Anthony Noble as Non-Executive Chairman

There was also a passing on of the Chairman baton from Stephen Harrison to Dr. Anthony Noble at the end of February 2025.

The Company would like to thank Mr Harrison for his 3 years of service to the Company and wish him luck in his future endeavours.

Dr. Noble has a track record of driving transformational growth in e-Commerce and retail consumer goods companies. His deep experience in international market expansion, global licensing deals, product development, and capital markets – all facets that the Company is strategically focused on, as it builds a suite of premium, high-margin products tailored for the needs of the Chinese market.

Related party expenditure

During Q3 FY25, \$348,359 Director's fees and wages were paid to Directors or their related parties.

This announcement has been authorized for release by the Board of Directors

About Aumake

Aumake Limited (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.

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.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Aumake Limited

ABN

79 150 110 017

Quarter ended ("current quarter")

31 Mar 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers		12,744	27,498
1.2 Payments for			
(a) research and development		-	-
(b) product manufacturing and operating costs		(11,889)	(26,743)
(c) advertising and marketing		(44)	(225)
(d) staff costs		(479)	(1,166)
(e) administration and corporate costs		(624)	(1,951)
1.3 Dividends received (see note 3)		-	-
1.4 Interest received		2	7
1.5 Interest and other costs of finance paid		(7)	(21)
1.6 Income taxes refunded		-	-
1.7 Government grants and tax incentives		-	37
1.8 Other - mainly from GST refunds		11	53
1.9 Net cash from / (used in) operating activities		(286)	(2,511)
2. Cash flows from investing activities			
2.1 Payments to acquire or for:			
(a) entities		-	-
(b) businesses		-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(c) property, plant and equipment	-	(5)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	7	(54)
2.6	Net cash from / (used in) investing activities	7	(59)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	4,075
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(135)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	3,940

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,650	1,985
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(286)	(2,511)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	7	(59)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	3,940
4.5	Effect of movement in exchange rates on cash held	10	26
4.6	Cash and cash equivalents at end of period	3,381	3,381

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,382	3,650
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,382	3,650

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	348
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
The balance in 6.1 consists of \$348,359 director's fees and wages paid to directors or their related parties.		
Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	1,000	1,000
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	1,000	1,000
7.5	Unused financing facilities available at quarter end		-
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <p>As previously reported, in February '24 a strategic stakeholder loaned A\$2.0m to the Company and at the EGM of October '24 shareholders approved the conversion of A\$1.0m of that loaned debt into equity, thus reducing the debt to A\$1.0m.</p>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(286)
8.2	Cash and cash equivalents at quarter end (item 4.6)	3,381
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	3,381
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	11.8
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	N/A	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	N/A	

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

N/A

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 April 2025

Authorised by: By the Board

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.