

ASX Announcement

26 February 2020

## **EAGLE & AMKA ENTER INTO COLLABORATION AGREEMENT FOR CHINA, AFRICA & AUSTRALIA MARKETS**

### **Highlights**

- **Access to African market via a significant and well-established partner**
- **Further diversification of Eagle's business and operations outside of China**
- **Immediate multinational infrastructure and distribution realised**
- **Bridging access across two of the world's largest populations and economies**

**Eagle Health Holdings Limited (ASX: EHH) ("Eagle" or the "Company")** is pleased to announce that it has entered into a Collaboration Agreement ("**Agreement**") with Amka Products (Pty) Ltd ("**AMKA**"), a member of the South African based Holistic Group.

AMKA is a renowned market leader in South Africa, with a dominant footprint across the African continent in manufacturing, marketing and distribution, and research and development (R&D) of fast-moving consumer goods in the health, personal care, wellness and beauty sectors. Additionally, AMKA has market presence in the Americas and Europe.

In accordance with the Agreement, Eagle and AMKA (collectively the "**Parties**") will collaborate to assist each other in relation to the reach of Eagle's products into the African market and AMKA products into the Australian and China markets.

The strategic relationship has been established on an "Innovation and Reach" approach, acknowledging and leveraging the strong synergies between the Parties, being :

- **AMKA's:**
  - Strong R&D and marketing teams;
  - Multiple world-class manufacturing facilities;
  - Extensive supply chains;
  - Specialised and well-established operating expertise in the African market; and
  - Significant financial capacity and resources.
- **Eagle's:**
  - Well-established GMP certified pharmaceutical and manufacturing facility in China;
  - Extensive distribution and retail network in China;
  - Specialised and well-established operating expertise in the China market; and
  - Corporate, technical and commercial expertise based in Australia.

The Agreement (for an initial period of 2 years and up to 5 years) will focus on opportunities in the following consumer categories:

- Health supplements;
- Maternal and Infant health;
- Sports nutrition;
- Personal and clinical care;
- E-Health and other innovative technologies.

The Parties have already commenced reviewing their respective product lines and operations with several opportunities identified as high priority, with a particular consideration of the current market conditions and demand for specific products and categories.

#### **About AMKA Products (Pty) Ltd**

- Market leader in the Health & Beauty and Wellness Industries, operating since 1957;
- Has a significant footprint in the African continent in
  - Research and Product Development;
  - Manufacturing;
  - Sales and Marketing;
  - Distribution into chain & independent retail stores, pharmacies, wholesalers;
- Distributes to 42 African countries and 20 additional countries worldwide;
- Operates 20 facilities over 94,000m<sup>2</sup>;
- Directly employs more than 2,000 staff;
- Marketing around 1600 product SKUS (95% owned, 5% licensed);
- Product presence at more than 50,000 outlets globally.

The Collaboration Agreement with AMKA is one of several ongoing initiatives instigated by the newly established Australian based Eagle team. This collaboration initiative will unlock real synergies between the two parties in the vast health and wellness sectors.

**Eagle's Executive Director Mr Gang Xu said,** "During my recent visit to South Africa I had the opportunity to spend significant time with the founders and management of AMKA, and witnessed first-hand the depth, sophistication and sheer scale of their operations in the fast growing South African market. By working closely with AMKA, a world-class industry player in Africa, Eagle Health is well-positioned to seize best market opportunities and to manage risks in a true global perspective."

Holistic Remedies Pty Ltd invested more than A\$10m during the Company's Initial Public Offering and remains a significant and supportive shareholder. This Agreement further extends the relationship between the Parties, first initiated in 2017 (refer to announcement dated 7 September 2017). The Company looks forward to providing further development and operational updates as they become available.

Approved for release by the full Board of Directors.

**-ENDS-**

**Contact:**

Henko Vos, Company Secretary

Email: [henko.vos@nexiaperth.com.au](mailto:henko.vos@nexiaperth.com.au)

**About Eagle Health Holdings Limited**

Eagle is an ASX listed vertically integrated health and nutritional products business which develops, manufactures and distributes products into 26 provinces in China. Eagle has collectively more than 300 Zhang Lao San exclusive product stores and franchised stores throughout China, with a further 271 distribution partners placing Eagle's branded products into more than 30,000 outlets across the country. Eagle produces a range of traditional Chinese Medicine and Western nutritional products including amino acids, protein supplements, lozenges and dendrobium oil. Eagle has a GMP certified manufacturing facility and a Head Office in Xiamen, China, acting as a central hub for distribution into Chinese pharmacies, health food stores, trading companies and supermarkets. Eagle has a corporate and sales office in Melbourne, Australia. Eagle has a stated strategy of acquiring or partnering with quality Australian products for distribution into China.

For more information visit: [www.auehh.com.au](http://www.auehh.com.au) or [www.eaglehealthltd.com/EN/index.aspx](http://www.eaglehealthltd.com/EN/index.aspx)