

# Creating brand development channels with JD.com

(Sydney, Australia) – AuMake International Limited (“**AuMake**” or the “**Company**”) is pleased to announce the creation of two new brand development channels for Australian & New Zealand (ANZ) products, as part of AuMake’s growing strategic relationship with global ecommerce company JD.com.

## **AuMake streamlines ANZ brand access to JD.com’s primary online China platform**

AuMake can now provide ANZ brands and products (including AuMake owned brands) with streamlined access to JD.com’s primary online platform in China, which has an active customer base of over 300 million consumers.

How it works:

1. ANZ products recommended by AuMake are selected and purchased by JD.com at commercially attractive gross margin rates;
2. These products receive preferential marketing and search optimisation support from JD.com;
3. Delivery times for customers who purchase these products will be significantly improved to less than 5 days to anywhere in China, by using JD.com’s logistics and supply chain including bonded warehouses.

AuMake has received initial purchase orders for 9 SKUs comprising mainly of AuMake owned brands - AU8 Propolis mouthspray and 7 Health Essence SKUs (Liquid Bio Calcium + D3, Eye Excel with Bilberry, Detox + Digestion with Milk Thistle, Super Lecithin, Red Grape Seed, Lung Care Plus and Black Propolis).

AuMake intends to materially increase the number of SKUs sold via this channel in the coming months.

## **AuMake features in new JD cross border concept store**

JD opened its first bricks and mortar cross border concept store in December 2018 in Chongqing, with AuMake recently allocated a prominent display area, the only Australian retailer to have a presence in the store.

The cross border concept store selectively displays products available on the JD.com online platform with over 2,000 customers visiting the store daily and over 200,000 visiting during promotional events.

JD’s concept store uses leading edge technologies to combine offline experiences with online purchasing convenience. This allows customers to view, scan and purchase products found in-store with delivery from either the country of origin or bonded warehouses in China. Products sold in such concept stores do not require Chinese regulatory approval as they are delivered to customers via the cross border ecommerce channel.



JD’s first cross border concept store in Chongqing, China



Ten (10) SKUs will be initially ranged within AuMake's display area, including AuMake owned brands (AU8 and Health Essence).

JD is expanding its cross border concept stores locations to Xi'an (due to open in September 2019) and other capital cities including Shanghai, Qingdao and Guangzhou. AuMake has had the privilege of reviewing advanced store designs for these new concept stores including their use of cutting edge retail technology, which can be applied back in the Australian market to provide leading and exciting store experiences.

#### **AuMake creating new brands with JD.com**

Through these new channels, combined with the strong growth of AuMake's online flagship store on JD Worldwide, AuMake is positioning itself as a conduit for new ANZ brands and products to access the JD.com platform in China.

AuMake's relationship with JD.com provides an incredible opportunity for ANZ brands to leverage JD.com's substantial resources, that would otherwise be unavailable, to mutually incubate and build their brands with a view towards material volume and profitability.

AuMake looks forward to updating the market on these exciting developments with JD.com in the coming months.

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