

26 July 2024

Q4 FY24 Quarterly Activities Report and Appendix 4C

Sydney, Australia – Aumake Limited (**ASX:AUK, Aumake** or the **Company**), is pleased to deliver its Quarterly 4C Report and summary of its activities and progress made for the period ended 30 June 2024 (**Q4 FY24**).

KEY HIGHLIGHTS:

- **CASH RECEIPTS OF A\$4.95M – UP 1559% VS PREVIOUS CORRESPONDING PERIOD (PCP) (A\$297,000 Q4 FY23).**
- **ANNUAL UNAUDITED REVENUES TOTALS A\$26.0M – SURPASSING FY23 TOTAL SALES (A\$2.6M) BY 900%.**
- **IN MID-JUNE 2024 CHINESE PREMIER LI QIANG VISITED AUSTRALIA, A FURTHER SIGN OF STABILISING BILATERAL RELATIONS.**
- **THE COMPANY REMAINS WELL FUNDED WITH A CASH BALANCE OF A\$1.985M AT THE END OF Q4 FY24.**
- **RELEASED AI POWERED MARKETING PLATFORM STREAMII – AIMING TO CONTRIBUTE TO AUMAKE'S SUSTAINABLE GROWTH AND LONG-TERM FINANCIAL STABILITY.**
- **FOLLOWING THE COMPLETION OF Q4 FY24, AUMAKE ENTERED INTO A STRATEGIC CO-OPERATION FRAMEWORK WITH CHINESE STATE-OWNED ENTERPRISE YANGTZE RIVER.**

Q4 FY24 Company financial highlights:

- **Cash receipts of A\$4.95m (up 1,559% vs PCP of Q4 FY23)**
- **Annual unaudited revenues of A\$26.0m (up 900% vs total FY23 sales)**
- **Strong cash position of A\$1.985m.**

The Company continues to be financially focused on reducing costs, growing sales and gross margins, and maximising cash retention.

Streamii – AI powered digital marketing platform

At the end of Q4 FY24, the Company announced the investment in and arrival of Streamii – its platform that revolutionises marketing for small to medium sized enterprises, enhancing market reach and efficiency. With AI-powered tools, it simplifies content creation and social media management, boosting brand visibility and reducing operational costs.

The initiative is designed not only to expand Streamii's user base but also to significantly contribute to Aumake's sustainable growth and long-term financial stability.

Streamii acts as a pivotal step in broadening the Company's income streams and enhancing its market competitiveness, whilst bridging the gap between Australian businesses and China.

Collaboration with Peterson Wines

Opening of Conceptual Tourism and Wine Gift Store

Aumake, in collaboration with Peterson Wines, announced the 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.' Targeting both B2B and B2C clients, Wine Couture aims to provide a unique travel experience for customers by combining the allure of wine culture with tourism. This initiative is expected to drive significant foot traffic and boost sales, contributing positively to our revenue streams.

Under the 'Wine Couture' brand, The Company will introduce a series of wine and wine-related products. This diverse range of offerings is set to enhance our product portfolio. By expanding our product range, we anticipate increased customer spending and higher profit margins.



Actual photos of the wine gift store

Enhancement of Brand Management

Aumake continued to enhance its comprehensive brand management services during this Q4 FY24 and successfully shipped its first container of EMP DAIRY full cream product in late June 2024. As part of Aumake's brand management offerings, the Company leveraged its robust product development capabilities and extensive production channels to assist clients like EMP DAIRY in developing products from scratch. This involved providing design and full supply chain services, as well as working with partner manufacturers to produce the required whole milk powder and lactoferrin products for EMP DAIRY.

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

Following the completion of Q4 FY24, Aumake announced that on Friday 19 July 2024, it 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"). The agreement aims 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.

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, frozen goods, and bulk resource commodities.

Update on the Re-establishment of Kiwi Buy

Store Signage

We are pleased to report significant progress in the re-establishment of Kiwi Buy, which was originally announced 25 March 2024. The design work for four store signboards has been completed, reflecting our commitment to revitalising our brand presence. Three stores have successfully installed the new signage, creating a fresh and inviting look for customers. The Auburn store is currently in the process of obtaining relevant approvals for the signboard change, and we anticipate this to be finalised shortly. The enhanced visibility from the new signage is expected to attract more customers, increasing store traffic and sales.

Related party expenditure

During Q4 FY24, \$154,963 Director's fees and wages were paid to Directors or their related parties.

Aumake's Managing Director, Joshua Zhou, expressed:

"In another strong quarter, we are pleased with the performance and progress we have made. Many of our strategic initiatives have progressed extremely well.

We are particularly proud of our successful release of Streamii which we can offer businesses in Australia to improve their marketing initiatives and further assist to bridging the gap with China.

The landscape for FY25 is promising with the Company working on further initiatives'

This announcement has been 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.

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")

30 June 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	4,953	25,903
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(4,649)	(26,289)
(c) advertising and marketing	(67)	(222)
(d) staff costs	(232)	(912)
(e) administration and corporate costs	(329)	(1,288)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	19
1.5 Interest and other costs of finance paid	(7)	(12)
1.6 Income taxes refunded	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other - mainly from GST refunds	24	128
1.9 Net cash from / (used in) operating activities	(305)	(2,673)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(48)	(60)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from disposal of:		
	(g) entities	-	-
	(h) businesses	-	-
	(i) property, plant and equipment	-	-
	(j) investments	-	-
	(k) intellectual property	-	-
	(l) 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)	(62)
2.6	Net cash from / (used in) investing activities	(55)	(122)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,487
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	-	(98)
3.5	Proceeds from borrowings	-	2,000
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	-	3,389

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,346	1,394
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(305)	(2,673)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(55)	(122)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	3,389
4.5	Effect of movement in exchange rates on cash held	(1)	(3)
4.6	Cash and cash equivalents at end of period	1,985	1,985

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	1,985	2,346
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)	1,985	2,346

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	155
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
The balance in 6.1 consists of \$154,963 director's fees and wages paid to directors or their related parties.		
<i>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.</i>		

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	2,000	2,000
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	2,000	2,000
7.5 Unused financing facilities available at quarter end		-
7.6 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.		
Per the ASX Announcement on 26 Feb 2024, the Company was advanced A\$2.0m (this was disclosed in Q3 FY24 Appendix 4C at item 3.5). This loan is unsecured and completely unincumbered. Duration of the loan is for 2 years whilst the interest rate applicable in the first year being 0% (interest free) and second year the interest rate will be the RBA cash rate plus an additional margin to be negotiated on a best endeavours basis at a later date.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(305)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,985
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	1,985
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	6.5
<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	
<i>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.</i>	

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: 25 Jul 2024

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.