

30 January 2025

Aumake Limited (ASX: AUK)

QUARTERLY ACTIVITY REPORT AND APPENDIX 4C

Strengthened Position for Future Sustainable Growth

Investor Highlights

- Aumake received cash receipts totalling \$11.4M for the quarter, representing a 239% increase over Q1 FY25.
- During the quarter the Company successfully trialled its first shipment with Yangtze River which has now resulted in receipt of a \$16 million purchase order from Yangtze River for health supplements, dairy products, and beef to be fulfilled within 3-months.
- During the quarter, the company received a direct purchase order (PO) from China Southern Air Cross Border E-Commerce (Hainan) Co., Ltd for the purchase of high margin Australian alcohol.
- Shareholder approval received during the quarter to raise capital via a strategic placement to raise \$3.9M and covert \$1.0M of loaned debt into equity.
- Management remains committed to stringent fiscal discipline with a strong cash balance of \$3.7M, with the company further looking to streamline costs, and diversify revenues into additional high growth streams.

Sydney, Australia – Aumake Limited (ASX: AUK) is pleased to present its quarterly activity update and Appendix 4C cash flow report for the three months ended 31 December 2024 (Q2 FY25). The quarter represented a period of strong operational and financial growth, driven by the successful execution of key initiatives and partnerships.

Operational Update

In August 2024 Aumake signed the significant A\$300 million Strategic Framework Agreement with the Chinese State Owned Enterprise (SOE) Yangtze River New Silk Road International Logistics (Hubei) Group Co., Ltd ('Yangtze River'). During this quarter Aumake has been in formal discussions with Yangtze River to sort out the details of this Agreement, with various Chinese Government Agencies to ensure all relevant certifications were ticked off, and with key supply chain partners to ensure that efficient cross-border trade was in readiness.

Aumake received in mid-December 2024 a A\$16 million purchase order from Yangtze River for health supplements, dairy products, and beef to be fulfilled within 3-months, and has agreed to pay a 30% deposit before each transaction. This milestone highlights Aumake's ability to meet large-scale demand and sets a solid foundation for sustained order flow, with further activity expected following the Lunar New Year.

The Company also secured a purchase order from **China Southern Air Cross Border E-Commerce (Hainan) Co., Ltd** for premium Australian alcohol. This order underscores the growing demand for high-quality Australian exports and further strengthens Aumake's position

in key Asian markets. By expanding its presence in high-margin product categories, Aumake continues to align its operations with evolving market opportunities.

Operational efficiency remained a priority during the quarter, with the Company focused on fulfilling its growing pipeline of orders. Aumake'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.

Aumake remains committed to building on its existing partnerships and exploring new opportunities in Asia's high-growth markets. With a focus on diversifying its product offering and collaborating with key State-Owned Enterprises, the Company is well-positioned to achieve sustainable growth and create value for its shareholders.

Corporate Update

During the quarter, Aumake strengthened its financial position through key initiatives approved at the October 2024 EGM, including a \$4.01 million capital raise, the conversion of \$1.02 million of debt into equity, and Executive Director Zhao (Tracy) Zhang's \$500,000 investment in the placement. These measures enhance the Company's balance sheet and support the implementation of the Yangtze River Agreement and other strategic priorities.

At the November 2024 AGM, shareholders approved the Annual Financial Report for FY24 and resolutions to issue shares in recognition of contributions by Directors and the Executive Leadership Team. These decisions reflect Aumake's focus on aligning leadership incentives with shareholder value creation.

In December 2024, 37.2 million unexercised options (AUKAB) lapsed, and Aumake relocated its Registered Office and Principal Place of Business to Unit 3, 66 Whiting Street, Artarmon, as part of ongoing cost-saving initiatives. These actions underscore the Company's commitment to operational efficiency and fiscal discipline.

2025 Outlook

Aumake is positioned for significant growth in 2025, focusing on diversifying its revenue streams into high-growth, high-margin sectors that are expected to deliver positive cash flows. The Company aims to expand its presence in premium categories, including Australian alcohol, agricultural goods, and FMCG, while leveraging its strong operational foundation and strategic partnerships to drive value creation.

Management is actively working to strengthen Aumake's cross-border trade capabilities by pursuing additional agreements with State-Owned Enterprises (SOEs). Building on the success of its \$300 million framework with Yangtze River New Silk Road International Logistics, the Company will utilise its extensive networks to secure similar large-scale agreements, enabling access to new markets and reinforcing its leadership in cross-border trade.

Supported by a robust cash position, reduced debt, and a streamlined cost structure, Aumake is well-prepared to execute its strategic initiatives. By aligning its operational capabilities with market trends and enhancing cross-border trade relationships, the Company is committed to delivering sustainable growth and long-term shareholder value in 2025 and beyond.

Related party expenditure

During Q2 FY25, \$295,408 Director's fees and wages were paid to Directors or their related

parties.

Aumake's Managing Director, Joshua Zhou, expressed:

"The December quarter was a transformative period for Aumake, with record cash receipts of \$11.4 million, a 239% increase on Q1 FY25. Our progress under the \$300 million Yangtze River framework, and received an initial A\$16 million purchase order demonstrates our ability to deliver at scale and positions us for sustained order flow post-Lunar New Year. Additionally, the purchase order from China Southern Air for premium Australian alcohol highlights the growing demand for our high-margin offerings in Asia's key markets.

The successful \$4.01 million capital raise and \$1.02 million debt-to-equity conversion have strengthened our balance sheet and financial flexibility. Importantly, the \$500,000 investment by our Executive Director reflects confidence in our vision and strategy. With a strong cash position of \$3.7 million, we are well-equipped to deliver on our commitments while pursuing high-growth opportunities.

As we enter 2025, our focus remains on diversifying revenue streams into high-margin sectors and enhancing our cross-border trade capabilities. Leveraging our strong partnerships and networks, we are confident in securing further SOE agreements and delivering long-term value to shareholders."

Authorised by the Board of Aumake Limited.

Joshua Zhou
Managing Director

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 Dec 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	11,395	14,754
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(11,546)	(14,854)
(c) advertising and marketing	(41)	(181)
(d) staff costs	(418)	(687)
(e) administration and corporate costs	(598)	(1,327)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	5
1.5 Interest and other costs of finance paid	(7)	(14)
1.6 Income taxes refunded	-	-
1.7 Government grants and tax incentives	37	37
1.8 Other	23	42
1.9 Net cash from / (used in) operating activities	(1,151)	(2,225)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(3)	(5)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
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 – mainly security deposits for online platforms	(13)	(61)
2.6	Net cash from / (used in) investing activities	(16)	(66)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	4,009	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)	(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	3,874	3,940

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	923	1,985
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,151)	(2,225)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(16)	(66)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,874	3,940
4.5	Effect of movement in exchange rates on cash held	20	16
4.6	Cash and cash equivalents at end of period	3,650	3,650

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	3,650	923
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)	3,650	923

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	295
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

The balance in 6.1 consists of \$295,408 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. 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 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.		
At the EGM the shareholders approved the conversion of A\$1.0m of the existing A\$2.0 m loaned debt facility into equity.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,151)
8.2 Cash and cash equivalents at quarter end (item 4.6)	3,650
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	3,650
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	3.2
<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: 30 January 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.