

Aumake Limited
Appendix 4D
Half-year report

Company details

Name of entity: Aumake Limited
ACN: 150 110 017
Reporting period: For the half-year ended 31 December 2024
Previous period: For the half-year ended 31 December 2023

Results for announcement to the market

| | 31 Dec 2024 (\$) | 31 Dec 2023 (\$) |
|---|-----------------------------------|-----------------------------------|
| Revenues from ordinary activities down 19% | 13,574,003 | 16,845,417 |
| Loss from ordinary activities after tax attributable to the owners of Aumake Limited up 42% | 1,929,454 | 1,361,674 |
| Loss for the half-year attributable to the owners of Aumake Limited up 42% | 1,929,454 | 1,361,674 |

Commentary on the results

Please refer to the "Review of Operations" section included within the directors' report of the attached Interim Financial Report for the half-year ended 31 December 2024.

Dividends

No dividends have been paid or declared by the Company since the beginning of the current reporting period. No dividends were paid for the previous reporting period.

Control gained or lost over entities having material effect

Not applicable.

Net tangible assets

| | 31 Dec 2024 Cents | 31 Dec 2023 Cents |
|---|------------------------------------|------------------------------------|
| Net tangible assets per ordinary security | 0.14 | 0.07 |

Investments in Associates or Joint Ventures

An incorporated joint venture entity named Hunter Valley Wine & Tourism Alliance Pty Ltd was established on 1 March 2024. Aumake Limited holds 35% shareholding in this entity.

Audit

The Company's financial statements were subject to a review by the auditors and the auditor's review report is attached as part of the attached half-year ended 31 December 2024 Interim Financial Report.

Attachments

The financial statements of Aumake Limited for the half-year ended 31 December 2024 is attached.

As authorized by the Board of Directors



Hai Yun Chen
Executive Director

26 February 2025
Sydney

Aumake Limited

ACN 150 110 017

Interim Financial Report - 31 December 2024

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Aumake Limited
Directors' report
31 December 2024

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Aumake Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

Directors

The following persons were directors of Aumake Limited ('Aumake') during the whole of the financial half-year and up to the date of this report:

Stephen Harrison (Non-Executive Chairman)
Jiahua (Joshua) Zhou (Managing Director)
Zhao (Tracy) Zhang (Executive Director)
Li (Alex) Li (Non-Executive Director)
Hai Yun Chen (Executive Director) – appointed 18 September 2024

Principal activities

During the financial half-year the principal activities of the consolidated entity were sale of Australian and New Zealand products via social e-commerce marketplace platforms.

Dividends

The consolidated entity has not declared any dividend during the half-year.

Review of operations

The Company secured a number of significant milestones during the half-year ended 31 December 2024:

- In August 2024 signed the significant non-binding A\$300m Strategic Framework Agreement with the Chinese State-Owned Enterprise (SOE) Yangtze River New Silk Road International Logistics (Hubei) Group Co., Ltd (Yangtze River).
- In September 2024 the Company strengthened its board and management. These additions will complement the existing team, allowing for implementation of new business initiatives that will drive efficiencies, and formulate practices to fulfil the imminent orders from Yangtze River.
- In October 2024 the tripartite arrangement with Hunter Valley Wine & Tourism Alliance Pty Ltd and Guangxi Dimples high-quality goods import and export trade co., Ltd (Dimples Story) to sell approximately A\$25.5m by 2027.
- Further in October 2024 A\$634k purchase order received from China Southern Air Cross Border E-Commerce (Hainan) Co., Ltd for premium Australian alcohol.
- At the end of October 2024, at the Extraordinary General Meeting the shareholders approved various arrangements, the most significant being the capital raise of \$4.0m and the conversion of \$1.0m debt into equity.
- In early December 2024 the Company announced that it had successfully completed its test shipments to Yangtze River and then in mid-December 2024 the Company received an A\$16m purchase order from Yangtze River for health supplements, dairy products, and beef, with this order to be filled within 3-months.

These Agreements highlight the growing demand for high-quality Australian exports, an expansion into higher-margin products, and the Company's ability to meet large-scale demand setting a solid foundation for sustained order flow.

The Company recorded sales revenue of \$13.6m in the first six months (31 December 2023: \$16.8m) and a net operating loss of \$1.9m (31 December 2023: \$1.4m)

The Company strengthened its Balance Sheet with a strategic placement to raise A\$4.0m and the conversion of A\$1.0m of debt into equity.

The Company is focused on implementing initiatives that will drive strategic efficiency as the Company prepares to fulfil various orders from Yangtze River and Dimples Story.

The Company remains focused on increasing sales and gross margins, establishing new strategic partnerships, and optimising cash retention while minimising costs.

Risks Factors

The Company faced a number of risks this financial half year and has addressed the main risks as follows:

- | | |
|--|--|
| (a) Inability to fulfil Yangtze River orders | <p>The Agreement with Yangtze River is non-binding, meaning that the Company will use its best endeavours to fulfil Yangtze River requirements, but should the Company be unable to fulfil, there are no financial penalties.</p> <p>The Company is unaware of any concerns with fulfilling Yangtze River orders, in fact, the Company successfully completed its test shipments in early December 2024, and this led to the receipt of a A\$16m purchase order from Yangtze River for health supplements, dairy products, and beef, in mid-December 2024.</p> |
| (b) Reliance on key Management | <p>The Covid-19 pandemic resulted in the Company closing all its physical stores, restructure its operations, and necessarily becoming a very lean operation. A core group of staff and Board were retained with Mr Jiahua (Joshua) Zhou remaining the key driver of the Company.</p> <p>The Company has a strategically aligned Board, each with specific expertise and ability to add-value. In September 2024 the Company strengthen its board and management. These additions will complement the existing team, allowing for implementation of new business initiatives that will drive efficiencies, and formulate practices aligned to the Company's operational needs.</p> |
| (c) Insufficient Cash | <p>The Company has secured a number of significant Agreements and will require cash to transact on these opportunities.</p> <p>In October 2024 the Company raised \$4.0m from a strategic placement and the Board believes it can raise additional capital, if and when required.</p> <p>The Company is also negotiating with its suppliers, customers, and financing institutions for more favourable terms of trade which will help with conserving cash and managing cash flow requirements.</p> |
| (d) International affairs | <p>The Company transacts a majority of its revenue selling into China. The Company's ability to maintain trade in China could be adversely affected by strained political and commercial relations between China and Australia. The Company cannot confirm that these relations will improve in the short to medium term and</p> |

cannot provide certainty going forward of its ability to trade in China.

Further, should the USA's protectionist policies lead to a weakening of China's economic growth, the Chinese Government may impose restrictions or its Chinese citizen's may reduce spending, either of which may impact the Company's ability to sell its products into China.

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

Matters subsequent to the end of the reporting period

In October 2024 the Company raised \$4.0m via a strategic share placement (less \$123k plus GST paid to the lead manager, Novus Capital Limited) and the Company is in the process of applying to the ASX to have those options stemming from the strategic share placement, listed on the ASX. It is anticipated that the process will be completed and those options will be listed before 31 March 2025.

Auditor's independence declaration


A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

In.Corp Audit & Assurance Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Hai Yun Chen
Executive Director

26 February 2025
Sydney

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE *CORPORATIONS ACT 2001*

To the Directors of Aumake Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2024 there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in relation to Aumake Limited and the entities it controlled during the half-year.

In.Corp Audit & Assurance Pty Ltd



Daniel Dalla
Director

Sydney, 26 February 2025

In.Corp Audit & Assurance Pty Ltd
ABN 14 129 769 151

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Aumake Limited
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31 December 2024

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General information

The Interim Financial Report covers Aumake Limited as a consolidated entity consisting of Aumake Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2024. The financial statements are presented in Australian dollars, which is Aumake Limited's functional and presentation currency.

| | |
|------------------------|--|
| Directors | Stephen Harrison, Non-Executive Chair Jiahua (Joshua) Zhou, Managing Director Zhao (Tracy) Zhang, Executive Director Li (Alex) Li, Non-Executive Director Hai Yun Chen, Executive Director |
| Company Secretary | Sebastian Andre |
| Share register | Boardroom Pty Ltd Level 12, 225 George Street Sydney NSW 2000 Australia Telephone: +61 2 9290 9600 |
| Auditor | In.Corp Audit & Assurance Pty Ltd Level 1, 6-10 O'Connell Street Sydney NSW 2000 |
| Stock exchange listing | Aumake Limited shares are listed on the Australian Stock Exchange (ASX: AUK) |
| Website | www.aumake.com.au |

Aumake Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Unit 3, 66 Whiting Street
Artarmon NSW 2064, Australia

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The Interim Financial Report of Aumake Limited for the half-year ended 31 December 2024 was authorised for issue, in accordance with a resolution of directors, on 28 February 2025.

Aumake Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2024

| | | Consolidated | |
|--|-------------|---------------------|--------------------|
| | Note | 31 Dec 2024 | 31 Dec 2023 |
| | | \$ | \$ |
| Revenue | | | |
| Sales revenue | | 13,574,003 | 16,845,417 |
| Other income | | 148,881 | 37,893 |
| | 2 | 13,722,884 | 16,883,310 |
| Expenses | | | |
| Cost of sales | | (13,198,708) | (16,528,341) |
| Administrative expenses | | (663,632) | (430,087) |
| Employee benefits expense | | (786,502) | (540,600) |
| Rent and outgoings expenses | | (29,964) | (34,462) |
| Marketing expenses | | (380,670) | (176,990) |
| Travel and accommodation expenses | | (191,066) | (46,776) |
| Share based payment expense | | (348,285) | (295,043) |
| Depreciation and amortisation | | (43,490) | (191,869) |
| Finance costs | | (10,021) | (816) |
| Loss before income tax expense | | (1,929,454) | (1,361,674) |
| Income tax expense | | - | - |
| Loss after income tax expense for the half-year | | (1,929,454) | (1,361,674) |
| Other comprehensive (loss) income | | | |
| <i>Items that may be reclassified to profit or loss</i> | | | |
| Exchange differences on translation of foreign operations | | 91,536 | (4,304) |
| | | (1,837,918) | (1,365,978) |
| Total loss attributable to | | | |
| Non-controlling interest | | 58,091 | - |
| Owners of Aumake Limited | | (1,987,545) | (1,365,978) |
| | | (1,929,454) | (1,365,978) |
| Loss per share from continuing operations attributable to the ordinary equity holders of Aumake Limited: | | | |
| Basic and diluted earnings per share (cents per share) | | (0.09) | (0.07) |

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Aumake Limited
Statement of financial position
As at 31 December 2024

| | | Consolidated | |
|--------------------------------------|-------------|---------------------|--------------------|
| | Note | 31 Dec 2024 | 30 Jun 2024 |
| | | \$ | \$ |
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | | 3,649,817 | 1,985,495 |
| Trade and other receivables | | 1,222,367 | 539,626 |
| Inventory | | 2,249,912 | 1,221,315 |
| Financial assets – term deposits | | 45,494 | 45,222 |
| Other assets | | 183,761 | 61,304 |
| Total Current Assets | | 7,351,351 | 3,852,962 |
| NON-CURRENT ASSETS | | | |
| Plant and equipment | | 241,311 | 274,816 |
| Other financial assets | | 50,000 | 50,000 |
| Other assets | | 232,127 | 187,521 |
| Total Non-Current Assets | | 523,438 | 512,337 |
| TOTAL ASSETS | | 7,874,789 | 4,365,299 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 3 | 2,106,253 | 1,139,654 |
| Provisions | | 334,209 | 374,731 |
| Borrowings | | 29,392 | 29,392 |
| Total Current Liabilities | | 2,469,854 | 1,543,777 |
| NON-CURRENT LIABILITIES | | | |
| Other payables | | 33,868 | 93,868 |
| Borrowings | | 1,148,059 | 2,162,756 |
| Total Non-Current Liabilities | | 1,181,927 | 2,256,624 |
| TOTAL LIABILITIES | | 3,651,781 | 3,800,401 |
| NET ASSETS | | 4,223,008 | 564,898 |
| EQUITY | | | |
| Issued capital | 4 | 64,446,641 | 59,081,989 |
| Reserves | 5 | 1,674,841 | 2,165,721 |
| Non-controlling interests | | 98,254 | 40,163 |
| Accumulated losses | | (61,996,728) | (60,722,975) |
| TOTAL EQUITY | | 4,223,008 | 564,898 |

The above statement of financial position should be read in conjunction with the accompanying notes

Aumake Limited
Statement of changes in equity
For the half-year ended 31 December 2024

| Consolidated | Issued capital | Reserves | Accumulated losses | Non-Controlling Interests | Total equity |
|--|-----------------------|-----------------|---------------------------|----------------------------------|---------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Balance at 1 July 2023 | 57,422,605 | 2,382,833 | (54,693,865) | - | 5,111,573 |
| Total comprehensive loss for the half-year | - | (4,304) | (1,361,674) | - | (1,365,978) |

Transactions with owners in their capacity as owners:

| | | | | | |
|---|-------------------|------------------|---------------------|----------|------------------|
| Capital raising, net of issue cost | 1,398,021 | - | - | - | 1,398,021 |
| Share-based payments (Note 6) | 192,000 | 103,043 | - | - | 295,043 |
| Derecognition of issued, expired, and forfeited options | 69,363 | (323,704) | 254,341 | - | - |
| Balance at 31 December 2023 | 59,081,989 | 2,157,868 | (55,801,198) | - | 5,438,659 |

| Consolidated | Issued capital | Reserves | Accumulated losses | Non-Controlling Interests | Total equity |
|--|-----------------------|-----------------|---------------------------|----------------------------------|---------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Balance at 1 July 2024 | 59,081,989 | 2,165,721 | (60,722,975) | 40,163 | 564,898 |
| Total comprehensive loss for the half-year | - | 91,536 | (1,929,454) | 58,091 | (1,779,827) |

Transactions with owners in their capacity as owners:

| | | | | | |
|---|-------------------|------------------|---------------------|---------------|------------------|
| Capital raising, net of issue cost | 3,952,396 | - | - | - | 3,952,396 |
| Issue of shares | 1,137,256 | - | - | - | 1,137,256 |
| Share-based payments (Note 6) | 275,000 | 73,285 | - | - | 348,285 |
| Derecognition of issued, expired, and forfeited options | - | (655,701) | 655,701 | - | - |
| Balance at 31 December 2024 | 64,446,641 | 1,674,841 | (61,996,728) | 98,254 | 4,223,008 |

The above statement of changes in equity should be read in conjunction with the accompanying notes

Aumake Limited
Statement of cash flows
For the half-year ended 31 December 2024

| | Consolidated | |
|--|---------------------|--------------------|
| | 31 Dec 2024 | 31 Dec 2023 |
| | \$ | \$ |
| Cash flows from operating activities | | |
| Receipts from customers | 12,891,262 | 15,626,354 |
| Payments to suppliers and employees | (15,338,753) | (16,763,472) |
| Interest received | 5,648 | 7,328 |
| Interest paid | (10,021) | (816) |
| Other revenue | 143,233 | 45,553 |
| Net cash used in operating activities | (2,308,631) | (1,085,053) |
| Cash flows from investing activities | | |
| Payments for plant and equipment | (5,454) | (6,124) |
| Payment of bond | (50,828) | (8,310) |
| Repayment of borrowings | (14,697) | - |
| Net cash used in investing activities | (70,979) | (14,434) |
| Cash flows from financing activities | | |
| Net proceeds from issue of shares | 4,075,396 | 1,487,256 |
| Share issue costs | (123,000) | (89,235) |
| Net cash from financing activities | 3,952,396 | 1,398,021 |
| Net increase in cash held | 1,572,786 | 298,534 |
| Cash and cash equivalents at the beginning of the financial year | 1,985,495 | 1,393,865 |
| Effects of exchange rate changes on cash and cash equivalents | 91,536 | (4,304) |
| Cash and cash equivalents at the end of the financial half-year | 3,649,817 | 1,688,095 |

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

As disclosed in the financial statements, the consolidated entity incurred a loss of \$1,929,454 and had outflows from operating activities of \$2,308,631 for the half-year ended 31 December 2024.

These factors indicate material uncertainty related to the ability of the Group to continue as a going concern.

The ability of the consolidated entity to continue as a going concern is principally dependent upon the ability of the consolidated entity to manage cash flows in line with available funds and to secure funds by raising additional capital from equity markets, as and when required.

The Directors believe that there are reasonable grounds that the consolidated entity will be able to continue as a going concern, after consideration of the following factors:

- The Group has cash and cash equivalent of \$3,649,817 as at 31 December 2024 and has prepared a cash flow forecast to manage cash in line with available funds;
- The Group has reduced or removed all non-essential costs in order to conserve cash;
- The Group continues working on delivering the three pillars of its announced strategic plan; and
- The Group expects to be successful in sourcing further capital from the issue of additional equity securities to fund its ongoing operations, as and when required.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, nor to amounts of classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

Note 2. Revenue

| | Consolidated | |
|------------------------------------|--------------------------|--------------------------|
| | 31 Dec 2024 | 31 Dec 2023 |
| | \$ | \$ |
| From continuing operations | | |
| <i>Sales revenue</i> | | |
| Sale of goods | 13,574,003 | 16,845,417 |
| <i>Other revenue</i> | | |
| Interest | 5,648 | 7,328 |
| Other revenue | 143,233 | 30,565 |
| | <u>148,881</u> | <u>37,893</u> |
| Revenue from continuing operations | <u>13,722,884</u> | <u>16,883,310</u> |

Revenue from contracts with customers are recognised at a point in time, when the customer obtains control of the goods, which is generally at the time of delivery.

Geographical

| | | |
|----------------|--------------------------|--------------------------|
| Australia | 219,865 | 1,217,841 |
| Hong Kong | 7,631,955 | 15,532,486 |
| Mainland China | 5,722,183 | 95,090 |
| Sale of goods | <u>13,574,003</u> | <u>16,845,417</u> |

Note 3. Trade and other payables

| | Consolidated | |
|--|-------------------------|-------------------------|
| | 31 Dec 2024 | 30 Jun 2024 |
| | \$ | \$ |
| Trade payables and accrued expenses ¹ | 1,865,473 | 589,306 |
| Payment in advance | 240,780 | 301,582 |
| Other payables | - | 248,766 |
| | <u>2,106,253</u> | <u>1,139,654</u> |

¹ The value for trade payables and accrued expenses largely consists of inventory purchases of \$1,658,594 (30 Jun 2024: \$581,635) which are payable to inventory suppliers, accrued rent of \$46,591 (30 Jun 2024: \$46,591) which are payable to landlords, and accrued commissions of \$51,602 (30 Jun 2024: \$69,365) which are payable to travel agents.

Note 4. Equity - Issued capital

| | 31 Dec 2024 | 30 Jun 2024 | 31 Dec 2024 | 30 Jun 2024 |
|----------------------------|--------------------|--------------------|--------------------|--------------------|
| | Shares | Shares | \$ | \$ |
| Ordinary shares-fully paid | 3,010,692,160 | 1,914,406,802 | 64,446,641 | 59,081,989 |

Movements in ordinary share capital

| | 31 Dec 2024 | | 30 Jun 2024 | |
|--|----------------------|-------------------|----------------------|-------------------|
| | No. of shares | \$ | No. of shares | \$ |
| Consolidated | | | | |
| At the beginning of the reporting period | 1,914,406,802 | 59,081,989 | 1,487,259,469 | 57,422,605 |
| Share issued in recognition of contributions made by allottees | - | - | 48,000,000 | 192,000 |
| Conversion of options to ordinary shares | - | - | 7,333,333 | 69,363 |
| Incentive share issued | 80,000,000 | 400,000 | - | - |
| Share issued for conversion of debts | 202,451,158 | 1,012,256 | - | - |
| Share issued at capital raising | 813,834,200 | 4,075,396 | 371,814,000 | 1,487,256 |
| Share issue costs | - | (123,000) | - | (89,235) |
| At the end of the reporting period | 3,010,692,160 | 64,446,641 | 1,914,406,802 | 59,081,989 |

Note 5. Equity – Reserves

| | 31 Dec 2024 | 30 Jun 2024 |
|--|--------------------|--------------------|
| | \$ | \$ |
| Options reserve (a) | 1,810,943 | 2,393,359 |
| Performance rights reserve (b) | - | - |
| Foreign currency translation reserve (c) | (136,102) | (227,638) |
| Total | 1,674,841 | 2,165,721 |

Note 5. Equity – Reserves (cont.)

(a) Options

| | December 2024 | | June 2024 | |
|---|----------------------|------------------|--------------------|------------------|
| | No. of Securities | \$ | No. of Securities | \$ |
| Consolidated | | | | |
| At the beginning of reporting period | 181,881,477 | 2,393,359 | 194,214,810 | 2,426,611 |
| Issue of options to Director pursuant to Long-Term Incentive Plan with an exercise price of \$0.20 (expiry 4 December 2024) | - | - | - | 69,777 |
| Options (expiry 30/04/25 exercisable @ \$0.00) | - | 9,253 | - | 40,769 |
| Conversion of options to shares | - | - | (7,333,333) | (69,363) |
| Options (expiry 01/02/25 exercisable @ \$0.04) | - | - | - | 10,113 |
| Options (expiry 01/02/25 exercisable @ \$0.08) | - | 4,032 | - | 8,020 |
| Expiration of Options | (107,866,666) | (655,701) | (5,000,000) | (92,568) |
| Options (expiry 23/10/26 exercisable @ \$0.01) | 1,036,285,358 | - | - | - |
| Options (expiry 23/10/26 exercisable @ \$0.004) | 20,000,000 | 60,000 | - | - |
| Options (expiry 30/11/26 exercisable @ \$0.015) | 15,000,000 | - | - | - |
| At the end of the reporting period | 1,145,300,169 | 1,810,943 | 181,881,477 | 2,393,359 |

Note 5. Equity – Reserves (cont.)

(b) Performance rights reserve

| | December 2024 | | June 2024 | |
|--------------------------------------|-------------------|----|-------------------|----------|
| | No. of Securities | \$ | No. of Securities | \$ |
| Consolidated | | | | |
| At the beginning of reporting period | - | - | 2,982,000 | 161,773 |
| Short-Term Performance Rights Lapsed | - | - | - | (92,099) |
| Class B Performance Rights lapsed | - | - | (2,100,000) | (49,066) |
| Class C Performance Rights lapsed | - | - | (882,000) | (20,608) |
| At the end of the report period | - | - | - | - |

(c) Foreign currency translation reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

Movements in foreign currency translation reserve

| | 31 Dec 2024 | 30 Jun 2024 |
|--|------------------|------------------|
| | \$ | \$ |
| Consolidated | | |
| At the beginning of the reporting period | (227,638) | (205,551) |
| Exchange difference on translation of foreign operations | 91,536 | (22,087) |
| At the end of the reporting period | (136,102) | (227,638) |

Note 6. Share-based payments

Total expenses arising from share-based payment transactions recognised during the reporting period were as follows:

| | 31 Dec 2024 | 30 Jun 2024 |
|--------------|--------------------|--------------------|
| | \$ | \$ |
| Options (a) | 73,285 | 128,679 |
| Shares issue | 275,000 | 192,000 |
| | 348,285 | 320,679 |

(a) Options

| Grant date | Expiry date | Exercise Price | Balance at start of year | Granted during the period | Exercised /Converted during the period | Forfeited during the period | Balance at end of the period | Vested & exercisable at end of the period |
|------------|-------------|----------------|--------------------------|---------------------------|--|-----------------------------|------------------------------|---|
| | | | | Number | Number | Number | Number | Number |
| 4/12/2020 | 4/12/2024 | \$ 0.20 | 33,600,000 | - | - | (33,600,000) | - | - |
| 4/12/2020 | 4/12/2024 | \$ 0.20 | 2,300,000 | - | - | (2,300,000) | - | - |
| 4/12/2020 | 4/12/2024 | \$ 0.20 | 1,300,000 | - | - | (1,300,000) | - | - |
| 22/04/2022 | 30/04/2025 | \$ 0.00 | 11,666,667 | - | - | - | 11,666,667 | 5,833,333 |
| 22/04/2022 | 30/04/2025 | \$ 0.00 | 3,000,000 | - | - | - | 3,000,000 | 3,000,000 |
| 1/03/2022 | 30/04/2025 | \$ 0.03 | 1,000,000 | - | - | - | 1,000,000 | 1,000,000 |
| 1/03/2022 | 30/04/2025 | \$ 0.06 | 1,000,000 | - | - | - | 1,000,000 | 1,000,000 |
| 1/03/2022 | 30/04/2025 | \$ 0.09 | 1,000,000 | - | - | - | 1,000,000 | - |
| 12/05/2022 | 1/02/2025 | \$ 0.02 | 3,000,000 | - | - | - | 3,000,000 | 3,000,000 |
| 12/05/2022 | 1/02/2025 | \$ 0.04 | 3,000,000 | - | - | - | 3,000,000 | 3,000,000 |
| 12/05/2022 | 1/02/2025 | \$ 0.08 | 3,000,000 | - | - | - | 3,000,000 | - |
| 23/10/2024 | 23/10/2026 | \$ 0.00 | - | 20,000,000 | - | - | 20,000,000 | 20,000,000 |
| | | | 63,866,667 | 20,000,000 | - | (37,200,000) | 46,666,667 | 36,833,333 |

All options granted to key employees, consultants and advisors of the Company are for ordinary shares in Aumake Limited which confer a right of one ordinary share for every option held.

The fair value of the options granted during the half-year was determined in accordance with the Hoadley's ESO2 valuation model – refer to 30 June 2024 Annual Report for further details.

Note 7. Contingencies

Contingent assets

The Directors are not aware of any contingent assets as at 31 December 2024 and 30 June 2024.

Contingent liabilities

The Directors are not aware of any contingent liabilities as at 31 December 2024 and 30 June 2024.

Note 8. Operating Segments

The directors have considered the requirements of AASB 8 - Operating Segments and the internal reports that are reviewed by the Board in allocating resources and have concluded that at this time there are no separately identifiable segments.

Following the adoption of AASB 8, the identification of the consolidated entity's reportable segments has not changed. During the period, the consolidated entity considers that it has only operated in one segment, being operating a multi-brand, omni-channel retail and wholesale business.

The consolidated entity is domiciled in Australia. Revenue from external customers is generated from Australia, Hong Kong and Mainland China. Segment revenues are allocated based on the country in which the customer is located. Assets are located in Australia, Hong Kong, Mainland China and New Zealand. The New Zealand segment held assets but did not generate revenue for the half year ending 31 December 2024.

Note 9. Events after the reporting period

There have been no matters that have arisen subsequent to the end of the half-year ended 31 December 2024 to report on.

Note 10. Related Party Transactions

a) Parent entity

Aumake Limited is the parent entity.

b) Subsidiary

The Company decided to sell 49% of its shareholding in the amount of \$49 in 168 Express Pty Ltd to a party associated with the Chinese State-Owned Enterprise (SOE) Yangtze River New Silk Road International Logistics (Hubei) Group Co., Ltd.

The Company also returned its 49% stake in Aumake Cold Chain Pty Ltd back to the Wiseway Group Limited. There were no proceeds from this sale.

c) Key management personal compensation

- Effective from 1 July 2024 the annual salary of Jiahua (Joshua) Zhou was increased to \$250,000 per year.
- Effective from 1 July 2024 the annual salary of Zhao (Tracy) Zhang was increased to \$220,000 per year.
- The Board considered the revenue growth in FY24 and the successful negotiation leading to the recent Agreements with Yangtze River and Dimple Story, and approved the payment of bonuses of \$68,070 to Jiahua (Joshua) Zhou and \$104,767 to Zhao (Tracy) Zhang. These bonuses are to be paid progressively via monthly instalments such that they are fully paid by 30 June 2025.
- From her commencement with the Company, the salary of Executive Director, Hai Yun Chen has been set at \$144,000 per year.

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Aumake Limited
Directors' declaration
31 December 2024

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Hai Yun Chen
Executive Director

26 February 2025
Sydney

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AUMAKE LIMITED

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Aumake Limited

Conclusion

We have reviewed the accompanying half-year consolidated financial report of Aumake Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising summary of significant accounting policies and other explanatory information, and the directors' declaration, comprising Aumake Limited and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Aumake Limited is not in accordance with the *Corporations Act 2001* including:

- giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report.

We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including independence standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical requirements in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Aumake Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

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AUMAKE LIMITED

INDEPENDENT AUDITOR'S REVIEW REPORT (continued)

Emphasis of Matter - Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which notes that the Group incurred a loss of \$1,929,454 and had cash outflows from operating activities of \$2,308,631 during the half-year ended 31 December 2024. As stated in Note 1, these events and conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the consolidated half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

In.Corp Audit & Assurance Pty Ltd



Daniel Dalla
Director

Sydney, 26 February 2025