

## ASX ANNOUNCEMENT

### Shanghai retail store Other updates

12 January 2021

Jatcorp Limited (ASX: JAT) is pleased to announce key developments in its Chinese strategy and business.

#### **Shanghai retail store**

JAT has advised in previous announcements the establishment of its first retail store in China, to be opened in Shanghai. In those previous announcements, it was expected that the store would be open in March 2020.

As a result of the lockdowns and restrictions in Shanghai because of COVID-19, the opening of the store has been delayed. JAT is pleased to announce that the fit-out works have begun, and it is expected the store will be open for trading in late February or early March 2021.

The store will be branded **JAT Maternity & Infant Boutique**. The size of the store is 50 square meters and is strategically located next to the Sinopharm pharmacy which is expected to drive significant consumer traffic to the JAT store.

The store will sell a full range of JAT in-house brands including Neuroio, Moroka, Lone Milk, Abbeyard and Hopefern, as well as other popular baby and month range products produced by Australia, China and other countries. The directors expect the turnover for the store will be between A\$500,000-A\$800,000 in the first year of trading.

A primary purpose of opening the store is to establish JAT's image in the Chinese market, promote the Company's products and expand the influence of the Company's products in China. If the Shanghai store is successful, JAT intends to open further stores in Shanghai and other cities in China.

#### **Online China sales platform**

The establishment of the Shanghai store will assist in driving consumers to JAT's online China sales platform to be established and operated by JAT's newly established Chinese subsidiary, Hangzhou JAT Food Group Co., Ltd (see ASX announcement 23 December 2020).

#### **Suning Group**

On 5 October 2020, JAT announced to the ASX that it had entered into a distribution agreement with the Suning Group. Under the agreement, Suning would distribute Australian products including JAT's in-house brands in mainland China on a non-exclusive basis.

Suning has recently approved JAT's in-house brand products to be sold to Chinese consumers through its sales networks in China. It is expected that most of JAT's in-house brands will start to be sold by Suning, including on its online platforms, from February 2021.

### **ANMA expansion**

On 16 December 2020, JAT announced to the ASX that part of its strategy was the expansion of the ANMA manufacturing facility in Melbourne. The works for the expansion has commenced and are expected to be completed at the end of February 2021. The expanded facility will double ANMA's manufacturing capacity.

This announcement is authorised by JAT's Managing Director, Wilton Yao.

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### **About Jatcorp Limited**

Jatcorp Ltd (ASX: JAT) is a China-Australia trade specialist. The Company develops and markets a portfolio of in-house branded FMCGs, focusing on growth opportunities in dairy products.

JAT has positioned itself as a major player in the flourishing Australian consumer goods export industry, offering Chinese retail presence, online sales to Chinese consumers through offshore platforms, and high-volume wholesaling to daigou groups and other distribution channels.

JAT's extensive network of Chinese business affiliations is a substantial source of opportunities, both for the company and for its Australian business partners.