

ASX RELEASE
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New China distribution agreements signed at the CIIE

Health and wellness consumer goods developer and manufacturer, Jatenergy Ltd, is pleased to announce that at the second China International Import Expo (“CIIE”) in Shanghai last week, two new distribution agreements were signed with Kigobay and Kiss Kangaroo. In addition, the distribution agreement entered into with Cyclone in 2018 was renewed. Discussions are continuing with a number of potential distributors with whom meetings were held during the CIIE.

The signing of the Neuroio Sialic Acid Formula distribution agreement with Kigobaby was announced to the ASX on 7 November 2019.

Cyclone: renewal of successful partnership

On 26 June 2018, JAT announced a distribution agreement with China-based health, wellness and maternity product distributor, Cyclone E-Commerce Co., Ltd under which Cyclone agreed to purchase over A\$7.5 million in product over the following 12 months. JAT is pleased to advise that Cyclone has met that sales target and the agreement has been renewed for a further 12 months.

In the year ahead, Cyclone will distribute JAT’s range of Neuroio milk powder products, the full range of Neuroio vitamins and new products JAT is set to release in the near future. The next 12 months’ sales target for all JAT products to be sold by Cyclone is A\$17 million.

SHAANXI KISS KANGAROO ECOMMERCE CO.LTD (Kiss Kangaroo)

Kiss Kangaroo was first established in Dec 2017, located in Xi’an China. The business focuses on high-end mother-infant products.

The material terms of the agreement signed at the CIIE are as follows:

- Kiss Kangaroo is appointed a non-exclusive distributor for most Neuroio products through its online platform and closed off-line channel.
- The agreement is for three years, commencing immediately.
- There are no minimum purchase requirements.
- There are no conditions precedent in the agreement.
- The agreement has the standard termination clauses which could be expected in a commercial agreement of this kind including termination for insolvency and for not remedying a breach within a reasonable period.

Jatenergy CEO, Wilton Yao, stated:

“Our participation in the second CIIE was very successful as evidenced by the new contracts secured and existing distributorship renewed. We expect further contracts to be signed shortly with the potential distributors who spent time with JAT at our booth in the CIIE. These contracts will underpin our growth in revenue for the next 12 months as we meet demand for our innovative range of Australian-made health and wellness consumer products.”

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“The rising Chinese interest in JAT’s products was clear in the number of local news interviews and press coverage the Company achieved at CIIE, including with CCTV, the highest-regarded broadcaster in China. This press coverage is available on JAT’s website.

“Our recent acquisition of our own milk powder production and packing facility in Melbourne, together with our investment in new production equipment, will ensure that we are able to produce the volume of product required to meet demand at increasingly attractive margins.”

Wilton Yao
Managing Director

About Jatenergy Limited

Jatenergy Ltd (ASX: JAT) is an Australian manufacturer and 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.

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