

26 May 2020

Company Update

- Second honey order received as China sales exceed expectations
- Launch in US of Meluka Australia's Raw Honey Probiotic Concentrate in early May following a strong reception by Australian consumers, with potential for cross-sell opportunities
- A further 20,000 units to be manufactured after the initial sales success in Australia underlines a strong appetite for the bio-fermented probiotic concentrate range
- New hires to help oversee marketing strategy, upcoming product launches, as well as meet growing manufacturing and production requirements
- Demand for organic tea tree oil continues to grow with harvesting ramping up at Jenbrook farms

EVE Investments (ASX:EVE, EVE or the Company), an ASX listed health, nutrition and wellness company, is pleased to provide the market with an update of operations and current activity.

Second China order - performing well ahead of expectations

While the COVID-19 operational environment has posed a series of unique challenges, EVE Investments is pleased to report the Company remains in a strong position as demand for its products continues to grow in key strategic international markets. The Company has received a second purchase order of 21,200 units of its raw honey which was ahead of expectations, due to the first honey shipment almost selling-out on Yandi Biotech's distribution network. Meluka Australia's honey range was successfully launched through Yandi's online portal in China on 16th May. As previously disclosed, Yandi has over 1 million members in its distribution network in China.



Figure 1: Promotional material for Yandi's Meluka Australia native honey launch

Launch in US of Raw Honey Probiotic Concentrate in early May

Following the successful launch to Australian consumers of the Company’s bio-fermented probiotic concentrate, the Company has now launched the product in North America via Meluka’s US e-commerce site. Inventory is currently being added to Amazon for the commencement of sales on Amazon’s US sales platform. The Company recognises the US as a key market for strategic expansion and has already received strong initial interest for its offerings, following its inclusion as a “top 10 honey seller” in category on Amazon US.

Meluka Australia has ordered a further 20,000 units of the probiotic concentrate to be manufactured after the initial sales success in Australia and early results from the US launch. The Company is pleased by the traction it has received to date and the addition of the probiotic concentrate into its honey range has resulted in the cross selling of other honey products.



Figure 2: Meluka Probiotic Concentrate with Native Honey and Lemon

New hires as EVE Investments bolsters team and repositions for growth

Despite the challenging current environment, Eve Investments is pleased to announce that it has recently employed an experienced marketing manager to oversee marketing strategy and new product launches for Meluka Australia.

As demand for our unique product set continues to increase, Meluka Australia has taken a series of important steps to ensure the company can continue to grow sustainably and manage rising demand for its product range. During April, Meluka Australia doubled its casual staff numbers to meet increased manufacturing and production requirements. The company is currently operating two shifts per day to meet its own production requirements in addition to those specified by third party contracts. The Company is planning to move to a third shift (night) to meet growing manufacturing requirements.

Demand for organic tea tree oil continues to grow

The Company continues to see very strong demand for Jenbrook’s tea tree oil with several orders already received for this year’s harvest.

Late seasonal rainfall restricted harvesting activities at Jenbrook, but with drier conditions forecast, activities are expected to ramp up and should be continuous for the next three months.

Commenting on the update, Managing Director Bill Fry said: “The excellent sales results being achieved in China is good validation of Yandi’s distribution network and positions EVE very well for growth in the region. As demand for our Meluka Australia products continues to grow, both in Australia and abroad, the Company has had to increase our team to meet growing manufacturing and production requirements. Despite the economic challenges that COVID-19 has posed, our operations have experienced strong sales growth in all regions throughout the entire period. With the addition of our probiotic concentrate to our honey range in Australia and the US this month, EVE will seek to maximise cross selling opportunities across our product range as we continue to deliver for our shareholders and customers.”

Authorised for release by Bill Fry, Managing Director

For more information, please contact:

Company enquiries

Bill Fry, Managing Director

Eve Investments Ltd

+61 8 6465 5500

billf@eveinvestments.com.au

Media enquiries

Daniel Paperny

Media & Capital Partners

+61 433 339 454

daniel.paperny@mcpartners.com.au

About EVE Investments

EVE Investments is a leading, vertically integrated producer of branded health, nutrition and wellness products. The Company has global reach and application to fast-growing markets across Australia and New Zealand, Asia Pacific and North America. Our mission is to help provide access to the world’s best natural organic products that have demonstrated medicinal benefits and can help enrich the lives of everyday people.

Please visit www.eveinvestments.com.au and follow us on Twitter [@EVEInvestments](https://twitter.com/EVEInvestments)