

Dawine Ltd

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Dawine shifts focus to direct sales into China's lucrative wine market

Dawine Ltd (ASX:DW8) has transitioned from the implementation phase of multiple online sales channels to direct sales and marketing into the lucrative Chinese wine market.

The company believes the change of focus will result in a direct annual saving of about \$400,000 in fixed cost outflow.

Dawine is focusing its efforts on marketing of retail and wholesale wine sales as well as continuing discussions with potential strategic partners for scalability.

A "logical transition"

Executive chairman Piers Lewis said: "Dawine has made the logical transition from establishing multiple sales channels to focusing on marketing and brand awareness in the online and wholesale wine market in China.

"This transition will result in a cost rationalisation to ensure we focus our resources on growing our sales and the Dawine brand in China."

Multiple online sales channels, including a Tmall store, WeChat store, bilingual Chinese website and app, were launched in June 2017.

Retail wine market continues to grow

Market research has indicated that the retail wine market in China targeted by the online sales channels continues to grow.

Wholesale wine opportunities are being pursued as Dawine continues to establish itself as a provider of quality imported wine.

Significant management resources were required to achieve the implementation milestones and these resources are now being aligned to increasing sales.

Pursuing strategic partners

Lewis added: "We continue to pursue strategic partners who have a track record of success in the China wine market and can open up distribution channels.

"Dawine has established an end-to-end process of selling quality imported wine to the China market, which is a valuable asset of the company.

"Working with partners that can increase our footprint in the world's largest wine market will expedite our growth and scale."

Price: A\$0.006

Market Cap: A\$3.22M

1 Year Share Price Graph



Share Information

Code: DW8

Listing: ASX

52 week High Low
A\$0.02 A\$0.01

Sector: Tech

Website: www.dawine.com

Company Synopsis:

Dawine Ltd (ASX:DW8) is listed on the Australian Securities Exchange.

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