

22 September 2016

PLUKKA PARTNERS WITH HEMEI TO OPEN NYC BOUTIQUE

Plukka Ltd (ASX: PKA) ("**Plukka**" or "the **Company**") is pleased to announce that it has entered into a joint venture with Shenzhen Hemei Union Internet Technology Co., Ltd ("**Hemei**"), based in Shenzhen, China, which will see Plukka and Hemei open a temporary pop-up store in Manhattan, New York, from mid-October through December 2016.

The pop-up boutique will be exposed to substantial foot traffic, located at 16 E. 60th Street, New York, at the intersection with Madison Avenue, opposite an entrance to Barney's department store. The boutique design has been completed (see indicative designs below), with the interior divided into two distinct spaces, half showcasing Plukka branded jewellery and half featuring Hemei branded jewellery. Construction of the fit-out is scheduled to commence tomorrow.

The joint venture with Hemei has been structured to maximise cost and operational efficiencies whilst allowing Plukka to continue to develop its US customer base and benefit from the seasonal uptick in sales expected in the October to December holiday shopping period. This structure aligns with Plukka's refined strategy to invest in cost-effective offline boutiques in premium locations to leverage and support its online growth strategies, particularly in the USA, which constitutes the largest online jewellery market globally.

Hemei will be responsible for all rent and the majority of fit-out costs whilst Plukka will be responsible for managing all operational elements of the boutique, including all retail processes, logistics and sales and marketing functions. All other costs will be shared equally between the brands.

Both Plukka and Hemei are optimistic about this opportunity to feature their respective products in a high visibility, high traffic location during one of the busiest shopping periods.

Plukka's Managing Director, Natalia Obolensky, commented: *"I am delighted to be working with Hemei on this project. Both Plukka and Hemei share a passion for delivering creative fine jewellery at affordable price points to our consumers worldwide. The ability to work together, share our customers and gain access to a new market in the strategically important holiday season is a very exciting milestone in the implementation of Plukka's refined growth strategies."*

About Hemei:

Shenzhen Hemei Union Internet Technology Co., Ltd is a large Chinese conglomerate that is involved in different businesses and markets, currently expanding into the fine jewellery space under the brand name 'Artoriz'. Hemei plan to showcase a number of creative, unique, Chinese designed or inspired fine jewellery, a philosophy that is consistent with Plukka's dedication to uncompromising creativity in jewellery. Hemei have two retail stores in Shenzhen and Shanghai opening in September this year, with plans to expand quickly in Europe and the USA.



For more information, please contact:

Natalia Obolensky
Natalia@plukka.com
Managing Director

Charly Duffy
charly@secpluslegal.com
Non-Executive Director / Company Secretary