



## ASX Announcement

2 May 2014

### 99 Wuxian Limited

ARBN 164 764 729

Incorporated in Hong Kong

ASX: NNW

### Board of Directors

Mr Ross Benson – Chairman, Non-Executive Director

Ms Amalisia Zhang – CEO, Executive Director

Mr David Chen – Executive Director

Mr Yongkuan Duan – Non-Executive Director

Mr Simon Green – Non-Executive Director

Mr Tony Groth – Non-Executive Director

### Company Secretary

Mr Nathan Bartrop

HWB (Corporate Services) Limited

### Registered office

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Hong Kong

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To : Australian Securities Exchange

### 99wuxian quarterly trading update: Solid growth in all key performance indicators

Leading Chinese m-commerce company 99wuxian Limited (99wuxian) is pleased to provide a quarterly trading update for the March 2014 quarter.

Performance during the quarter was solid, evidenced by good growth on all key performance indicators compared to the same quarter last year.

	March 2013 Quarter/end	March 2014 Quarter/end	Percentage increase
Registered users (RU)	19,772,658	29,338,565	48.38%
Gross Transaction Value (GTV) (RMB)	543,657,181	1,668,977,288	206.99%
*AUD	93,442,392	286,859,505	
Total number of Transactions (TNT)	4,726,078	5,336,453	12.9%
Average Value per Transaction (AVT)(RMB)	115.03	312.75	171.89%
*AUD	19.77	53.75	
99wuxian.com Platform Revenue (PR) (RMB)	22,663,197	27,496,083	21.32%
*AUD	3,895,292	4,725,956	

\*RMB/AUD as at 1 May 2014=5.8181

99 Wuxian Limited CEO, Amalisia Zhang, said:

“It is particularly pleasing to have delivered solid growth in all key business metrics in what has traditionally been our slowest quarter.

“Our strategy to increase the average transaction value and spend per registered user is bearing fruit with gross transaction value for the quarter having tripled on the previous corresponding period. This evidences the success of our marketing initiatives during the quarter,” she said.

The following commentary is provided:

**Registered Users (RU):** Growth in RU continues in accordance with an established trend. Growth over the last 12 months over 48% is an average of almost 2.4 million new RU's per quarter. Growth continues to be driven by a combination of new Business Partners joining the platform, and current Business Partners promotional activities. Registered user growth for the March 14 quarter compared to March 13 quarter increased by 31%.

**Gross Transaction Value (GTV):** GTV for the March 2014 quarter was more than triple the GTV for the March 2013 quarter. This growth of 207% was driven by a 48% increase in registered users while RU's and an increase of 172% in ATV.. The Company's strategy to drive higher spend per RU from the existing user base is producing the desired result.

**Total Number of Transactions (TNT):** TNT averaged 59,294 per day for the March 2014 quarter, compared with 52,512 per day in the March 2013 quarter. The increase of 12.9% in TNT is a direct result of the company focusing on increasing ATV versus TNT.

**Average Transaction Value (ATV):** ATV for the March 2014 quarter of RMB 312.75 was an increase of almost 172% over ATV for the March 2013 quarter. A key growth strategy for 99 Wuxian is to deepen relationships with users, thereby lifting the ATV. This process is enhanced through the company's programs with Business Partners in data mining initiatives. The B2B2C business model provides the company with access to well qualified users which the company believes will continue to enhance the ATV.

**99wuxian.com Platform Revenue (PR):** Platform revenue grew by a pleasing 21% compared with the corresponding quarter in 2013. During the period the company implemented a number of joint marketing initiatives with Business Partners which accounts for the disproportionately higher rate of growth in Gross Transaction Value compared to overall Platform Revenue.

The majority of promotional activities are conducted on a "variable cost" basis, which results in a reduced margin on GTV. The company remains focused on acquiring high quality users that represent strong annuity expenditure, as mobile commerce evolves in China. In order to support Business Partners who are paying the majority of fixed costs associated with customer acquisition the company believes the variable contribution to promotional costs represents a risk managed strategy to ensure strong growth in RU's.

For further information, please contact:

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