



ASX Announcement

31 October 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 Amalisa 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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To : Australian Securities Exchange

Strategic Review and September Business Update

Highlights

- New “99 Shopping Carnival” marketing promotion with China’s leading banks successfully built brand awareness and activated dynamic user growth
- ICS platform continued to achieve significant progress with a new partner and ongoing marketing campaigns
- Strong engagement from global investment banks for RFP

Hong Kong, 31 October 2014: Leading Chinese mobile commerce company 99 Wuxian Limited (ASX: NNW) (“99 Wuxian” or the “Company”) is pleased to provide details on its monthly business activities.

99 Wuxian operates a mobile online market place, *99wuxian.com*, in China, providing a value-added services platform to banks, insurance companies and their customers. The mobile online market place offers a variety of physical and virtual goods to consumers via a mobile banking application available on a smart phone or tablet.

99 Wuxian is a market leader in the Chinese business to business to consumer (B2B2C) m-commerce segment, with more than 36 million registered users.

Strategic Review

As announced to the ASX on 8th August 2014, 99 Wuxian initiated a Request for Proposal (“RFP”) with a number of high-profile global investment banks. The Board is pleased with the strong level of responses from global investment banks engaged in the process. During September, the Board met with and conducted panel interviews following submissions of the RFP responses. The Board expects to announce the outcome of the process and commence implementation of recommendations during the December 2014 quarter. These recommendations are aimed at maximising shareholder value.

“99 Shopping Carnival”:

In September, for the first time 99 Wuxian initiated and led the marketing for a trial sale program called “99 Shopping Carnival”. The 99 Shopping Carnival received very strong engagement from 99 Wuxian’s business partners with the 13 top Chinese banks participating, including the “Big Four” (Bank of China (“BOC”), Agricultural Bank of China (“ABC”), Industrial and Commercial Bank of China (“ICBC”) and China Construction Bank (“CCB”).

The 99 Shopping Carnival marketing promotion was conducted over a two

week period from the 1st - 15th September 2014. The aim of the 99 Shopping carnival was to further increase 99 Wuxian's brand awareness and activate dynamic user growth through the multiple offerings to bank cardholders such as flash sales and Seckill for consumers to access large discounts. Seckill refers to the quick sell out of newly-advertised goods.

Key highlights of the 99 Shopping Carnival included:

- Increase in user AAT (Average Access Time) in September 2014 by 23% compared to August 2014, with repeat purchases increasing 220% compared to September 2013
- Sales peaked on the 9th September when consumers were offered the lowest online price to purchase Australian fresh produce – honey from Tasmania and fresh milk directly delivered to registered users
- Age groups 18-24 and 25-34 accounted for the majority (~80%) of 99 Wuxian Carnival participants. These demographic segments correspond to the largest proportion of China's mobile shoppers (According to 2014 China Mobile Shopper Report from iResearch). Gender demography was even across males and female consumers with 46% and 54% respectively
- Utilisation of multiple channels to raise market awareness of 99 Shopping Carnival, 68.2% of consumers accessed the Carnival through their bank or banking application and 31.8% of consumers through social networking applications WeChat and Weibo.

A report from third party independent research institution iResearch has highlighted China's mobile commerce market reached 45 billion Yuan in the second quarter of 2014, rising 104.1% year on year (YoY), from which mobile shopping represented over 50%. Mobile shopping's share is expected to increase steadily with compound yearly growth rates of approximately 46% from 2015-2017.

99 Wuxian is well positioned to capitalise from the strong industry trends.

Given the success of the Company's strategy to utilise the B2C (business-to-customer) promotions in order to drive dynamic user acquisition in producing the desired results, the Company is planning another large shopping festival on Chinese bachelor day, the 11th of November.

ICS (Incentive Cloud Service)

In July, 99wuxian recently upgraded its business-to-business (B2B) Marketing Management Service system (MMS) to a one-stop integrative management platform called ICS. The product is customer-oriented and provides an incentive service to large institutions through mobile internet and cloud technology. The ICS platform is dedicated to turning traditional marketing rewards and employee incentive rewards point redemption into a mobile internet service model.

ICS expanded its platform in September by adding China Resources Bank as a new business partner.

ICS allows China Resources Bank to deliver a customised incentive program for its new cardholders by providing the bank's customers with e-vouchers which can be redeemed to gift cards, mobile credit, game cards and other products.

China Resources Bank, founded in 1996, key banking businesses lie in corporate, retail and finance. China Resources Bank had total assets of 129.1 billion yuan at the end of 2013. The bank is focused on developing a differentiated and expanded banking offering to its clients including m-



commerce services. In 2013, China Resources Bank achieved “The Best Growing Small-and-Medium Bank” award by “21st Century Business Herald”. The new business partner agreement with China Resources Bank demonstrates the capability of the ICS platform to transform traditional bank card rewards points into a mobile internet service model.

Another successful example of the ICS marketing campaign during September was the ABC (Agriculture Bank of China) promotion. The campaign targeted new customers and financial products on Internet. The integrated customer redemption solution provided by ICS helped the bank enrich its customer choices and enhance customer satisfaction whilst reducing operational costs at the same time.

During September, 99 Wuxian also rolled out a marketing cooperation in support of CCB's (China Construction Bank) marketing activities, by providing the Incentive Cloud Service to its WeChat bank account. As a the sponsor of the hit reality talent show “Voice of China”, CCB launched a special credit card (“dragon card”) for the reality talent show and is utilising ICS as its customer rewards platform.

This cooperation significantly increases cardholder participation and also lays a strong foundation of increased user traction on WeChat bank (a WeChat-based service, which is bundled to a registered users WeChat account enabling them to check bills, credits, or transaction records through their bank accounts).

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