



December 2016 Quarterly Trading Update

Hong Kong, 31 January 2017: 99 Wuxian, (ASX: NNW) ("99 Wuxian" or "the Company") is pleased to provide a trading update for the December 2016 quarter.

Highlights¹:

- 52.4 million transactions on the platform in Q4, up 141% over the same quarter last year to 31 December 2015
- AUD \$1 billion (RMB 5.2 billion) Gross Transaction Value on the platform in Q4, up 12% over the same quarter last year to 31 December 2015
- Total registered user base of 64.3 million, up 18% from 31 December 2015
- Total Platform revenue in Q4 AUD 18,672,088 vs AUD 18,877,344 in Q4 2015, in line with the company's expectations associated with its customer growth and loyalty initiatives.

Key performance metrics (AUD)¹:

(see Appendix A for RMB summary metrics)

Last 12 months ending	Dec. 2015	Dec. 2016	Growth
Registered users	54,514,538	64,348,816	18%
Total number of transactions	56,823,020	155,701,837	174%
Average Transaction Value	46	18	-62%
Gross Transaction Value	2,612,941,936	2,731,579,906	5%
Platform revenue	42,988,700	56,731,378	32%

Quarterly period ending	Dec. 2015	Dec. 2016	Growth
Total number of transactions	21,694,327	52,360,248	141%
Average Transaction Value	41	19	-53%
Gross Transaction Value	885,408,694	994,080,756	12%
Platform revenue	18,877,344	18,672,088	-1%

¹ RMB translated into AUD using the spot rate of AUD/RMB 5.2043 as at 20 January 2017.

¹ Key performance metrics are based on management accounts that have not been audited or reviewed



Registered users

99 Wuxian's registered user base reached 64.3 million in the December quarter, growing by 9.8 million since 31 December 2015. The growth in registered users reflects 99 Wuxian's successful platform expansion through the addition of new business partners and distribution channels, increasing penetration rates among mobile application users and launching successful marketing campaigns.

Transactions

During the quarter, a record number of 52.4 million transactions were completed through the platform, up 141% over the same quarter last year. On a year on year basis, 155.7 million transactions were completed through the platform, an increase of 174% over the twelve months to 31 December 2015. The strong increase in transaction volume was driven by business partners' and 99 Wuxian's joint strategy to increase user transaction frequency, engagement and customer loyalty (stickiness).

Average Transaction Value ("ATV")

Over the last twelve months, as part of a focused shift to engage users to transact more at lower per transaction cost, the average value of all transactions had declined from AUD \$46 (RMB 239) to AUD \$17.5 (RMB 91), and ATV completed on the platform for the quarter had declined from AUD \$ 40.8 (RMB 212) to AUD \$19 (RMB 99). The movement in ATV was primarily the result of efforts to promote lower-value virtual products and increase user transaction frequency, engagement and loyalty (stickiness). This shift is part of a strategy to reduce the barriers to entry for users to use the 99 Wuxian platforms by reducing the cost per transaction, and instead encourage them to transact more regularly, and increasing loyalty (stickiness). Having lower transaction sizes for virtual products like phone credit recharge, café/food vouchers through 99 Marketplace, ICS & iBenefit is resulting in more engaged users and higher GTV, a positive indicator for the long term businesses.

Gross Transaction Value ("GTV")

On an LTM basis, 99 Wuxian generated GTV of AUD\$2.7 billion (RMB 14.2 billion), representing a 5% increase over the twelve months to 31 December 2015. GTV for the quarter increased 12% over the same quarter last year from AUD \$885.8 million (RMB 4.6 billion) to AUD \$1 billion (RMB 5.2 billion). Sizable transaction volumes, increasing user engagement and the growing number of registered users jointly contributed to this positive result.

Platform revenue

On a year on year basis, 99 Wuxian reported revenue of AUD \$56.8 million (RMB 295.2 million), up 32% over the twelve months to 31 December 2015. For the current quarter during the company's customer growth and loyalty initiative, 99 Wuxian reported revenue of AUD \$18.7 million (RMB 97.2 million), decreasing by 1% compared with the same quarter last year. This revenue performance during the quarter was driven by 99 Wuxian's successful pro-active user acquisition and engagement strategy, including promotions



encouraging new users to engage on the platforms and increasing user loyalty (stickiness) and repeat transactions. The Company has driven both GTV and registered user growth by directly passing on a proportion of the commission (revenue) it receives from merchants to consumers. This use of promotional discounts has been offset by a significant decrease in fixed marketing expenses. The Company is committed to continuing to manage user acquisition and user engagement and to review, consider and implement appropriate strategies to drive the future growth of the platforms.

For further information, please contact:

99 Wuxian Limited
Mr Ross Benson
+61 418 254 548

99 Wuxian Limited
Mr Henry Chen
+86 186 1137 1515

About 99 Wuxian Limited

99 Wuxian is a leading provider of online and mobile commerce solutions in China through its three core mobile commerce offerings:

- 99 Marketplace – A leading and reputable mobile commerce platform integrated with Chinese mobile banking application connecting bank customers with high quality merchants for a wide range of products and services.
- ICS – An online mobile rewards & points program for China's large banks, insurance companies and other major financial institutions.
- iBenefit – A mobile incentive and rewards program for employees from some of China's large and medium state owned enterprises and private companies.

ASX Release
31 January 2017



Key performance metrics (RMB)¹:

Last 12 months ending	Dec. 2015	Dec. 2016	Growth
Registered users	54,514,538	64,348,816	18%
Total number of transactions	56,823,020	155,701,837	174%
Average Transaction Value	239	91	-62%
Gross Transaction Value	13,598,533,719	14,215,961,308	5%
Platform Revenue	223,726,089	295,247,111	32%

Quarterly period ending	Dec. 2015	Dec. 2016	Growth
Total number of transactions	21,694,327	52,360,248	141%
Average Transaction Value	212	99	-53%
Gross Transaction Value	4,607,932,464	5,173,494,480	12%