

*Rules 4.7.3 and 4.10.3<sup>1</sup>*

## Appendix 4G

### Key to Disclosures

### Corporate Governance Council Principles and Recommendations

Introduced 01/07/14 Amended 02/11/15

**Name of entity**

WONHE MULTIMEDIA COMMERCE LIMITED

**ACN**

607 288 755

**Financial year ended:**

31 December 2017

Our corporate governance statement<sup>2</sup> for the above period above can be found at:<sup>3</sup>



Attached.

The Corporate Governance Statement is accurate and up to date as at April 2018 and has been approved by the board.

Our corporate governance disclosures can be located at:

<http://www.wonhe.com.au/investor.php>

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<sup>1</sup> Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

<sup>2</sup> "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

<sup>3</sup> Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.



Justyn Stedwell

Secretary

24 April 2018

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>AND</u></p> <p><input checked="" type="checkbox"/> at this location:  <a href="http://www.wonhe.com.au">www.wonhe.com.au</a> (Board Charter)</p> <p>... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>AND</u></p> <p><input checked="" type="checkbox"/> at this location:  <a href="http://www.wonhe.com.au">www.wonhe.com.au</a> (Board Charter)</p>	
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement Statement</p>	
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement Statement</p>	
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement Statement</p>	

<sup>4</sup> If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
1.5	<p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>		<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> at this location:</p> <p><a href="http://www.wonhe.com.au">www.wonhe.com.au</a> (Board Charter)</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement Statement</p>	
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> at this location:</p> <p><a href="http://www.wonhe.com.au">www.wonhe.com.au</a> (Board Charter)</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement Statement</p>	

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE</b>			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.		<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement.
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>... the names of the directors considered by the board to be independent directors:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and the length of service of each director:</p> <p><input checked="" type="checkbox"/> in the Directors Report</p>	

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.		<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement.
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	
<b>PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY</b>			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: <input checked="" type="checkbox"/> at: <a href="http://www.wonhe.com.au">www.wonhe.com.au</a>	

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
<b>PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b>			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement and Audit and Risk Committee Charter (The Board assumed functions of Audit and Risk Committee)</p> <p>AND</p> <p><input checked="" type="checkbox"/> at this location: <a href="http://www.wonhe.com.au">www.wonhe.com.au</a> (Audit and Risk Committee Charter)</p>	
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement and this Appendix 4G. The Company follows this recommendation.</p>	
4.3	<p>A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement and this Appendix 4G. The Company follows this recommendation.</p>	

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b> <input checked="" type="checkbox"/> at this location: <a href="http://www.wonhe.com.au">www.wonhe.com.au</a>	
<b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b>			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at this location: <a href="http://www.wonhe.com.au">www.wonhe.com.au</a>	
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b> <input checked="" type="checkbox"/> at this location: <a href="http://www.wonhe.com.au">www.wonhe.com.au</a>	
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b> <input checked="" type="checkbox"/> at this location: <a href="http://www.wonhe.com.au">www.wonhe.com.au</a>	
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b> <input checked="" type="checkbox"/> at this location: <a href="http://www.wonhe.com.au">www.wonhe.com.au</a>	



## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement and Audit and Risk Committee Charter (The Board assumed functions of Audit and Risk Committee) AND</p> <p><input checked="" type="checkbox"/> at this location: <a href="http://www.wonhe.com.au">www.wonhe.com.au</a> (Audit and Risk Committee Charter)</p>	
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></p> <p><input checked="" type="checkbox"/> at this location:</p> <p><a href="http://www.wonhe.com.au">www.wonhe.com.au</a></p>	

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	<p>[If the entity complies with paragraph (b):] ... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></p> <p><input checked="" type="checkbox"/> at this location: <a href="http://www.wonhe.com.au">www.wonhe.com.au</a></p>	
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><input checked="" type="checkbox"/> at this location: - The Directors Report.</p>	

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></p> <p><input checked="" type="checkbox"/> at this location: <a href="http://www.wonhe.com.au">www.wonhe.com.au</a> (Remuneration &amp; Nomination Policy)</p>	
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> in the Remuneration Report <b>AND</b></p> <p><input checked="" type="checkbox"/> at this location: <a href="http://www.wonhe.com.au">www.wonhe.com.au</a> (Remuneration &amp; Nomination Policy)</p>	
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>		<p><input checked="" type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable.</p>

April 2018

## CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement sets out the current position of Wonhe Multimedia Commerce Ltd (**Company**) with regards to the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3<sup>rd</sup> Edition, 2014) (**Principles and Recommendations**).

While the Principles and Recommendations are not mandatory, the Company will be required to disclose the extent to which it complies with the Principles and Recommendations in its future annual reports.

## ASX BEST PRACTICE RECOMMENDATIONS

Item	ASX Best Practice Recommendation	Comment	Implemented
<b>Principle 1: Lay a solid foundation for management and oversight</b>			
1.1	A listed entity should disclose:  (a) the respective roles and responsibilities of its board and management; and  (b) those matters expressly reserved to the board and those delegated to management	The Company has adopted a Board Charter, which outlines the specific responsibilities of the board and senior management, and outlines those matters expressly reserved to the board and those delegated to management.  The Board Charter is available on the Company's website ( <a href="http://www.wonhe.com.au">http://www.wonhe.com.au</a> ).	Y
1.2	A listed entity should:  (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and  (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	The Nomination and Remuneration Policy adopted by the board sets out the process for screening proposed directors and providing security holders with material information regarding whether or not to elect or re-elect a director.  The Nomination and Remuneration Policy is available on the Company's website.	Y
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	The Company's officers and management have all entered into service contracts which outline the responsibilities of each of the company's officers and of management personnel when performing their roles for the Company.	Y
1.4	The company secretary of a listed entity should be accountable directly to the	The Board Charter provides that the secretary shall be	Y

	board, through the chair, on all matters to do with the proper functioning of the board.	accountable directly to the board in this respect.	
1.5	The company should have a diversity policy.	The Company has adopted a Diversity Policy. However, given the size of the Company and its current operations, the Company is not presently in a position to fully implement the recommendations and statements as set out in the Diversity Policy. As the Company grows, it will implement the recommendations and statements as set out in the Diversity Policy. The Diversity Policy is available on the Company's website.	Y
1.6	A listed entity should have a process for periodically evaluating the performance of the board, its committees and individual directors.	The Company has a process of periodic evaluation and disclosure for the board, its committees and individual directors, as included in its Board Charter. A Board review did not occur during the period, the Company intends to conduct a full review in the next period.	Y
1.7	A listed entity should have a process for periodically evaluating the performance of its senior executives.	The Company has a process of periodic evaluation and disclosure for senior executives, as included in its Board Charter. A review of senior executives occurred during 2017.	Y
	Provide the information indicated in Guide to reporting on Principle 1.		Y
<b>Principle 2: Structure the board to add value</b>			
2.1	The Board should establish a nomination committee	The Board is responsible for the nomination and selection of directors. Given the size of the Company and the nature of its operations, the Board does not believe it to be appropriate to establish a nomination committee at this time. The composition of the Board, its performance and the appointment of new Directors will be reviewed periodically by the Board, taking advice from external advisers where considered appropriate. The Board has	N

		implemented a Nomination and Remuneration Policy, which is obtainable on the Company's website.	
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	The Board periodically assesses the competencies and experience of each Board member and the experiences and skills required at Board level to meet its operational objectives. Therefore, a formal board skills matrix is not deemed to be necessary.	N
2.3	A listed entity should disclose the identity of independent directors, and the length of service of such directors.	<p>The Company has five directors, being Qing Tong (Executive Director), Jack Tong (Executive Director), Francesco Cannavo (Non-Executive Director), Jun Li (Non-Executive Director) and Raymond Lim (Non-Executive Director).</p> <p>The length of service of the directors are disclosed in the Company's Annual Report.</p>	Y
2.4	A majority of the board of a listed entity should be independent directors	Three of the Directors are independent, being Jun Li, Francesco Cannavo and Raymond Lim. The Company considers that three of the Directors being independent is appropriate for a company of its size.	Y
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	The Board Charter provides that the chair shall not be the same person as the CEO. However, the Company notes that Qing Tong, an executive director, has been appointed the Chairman. The Board believes the presence of three Independent Directors on the Board provides the Board with sufficient independent presence and therefore an Independent Chairman is not required at this stage.	N
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors	The Board together with the Company Secretary shall induct new directors and ensure that Board members have access to continuing education to update their	Y

	effectively.	skills and knowledge.	
	Provide the information indicated in Guide to reporting on Principle 2.		Y
<b>Principle 3: Act ethically and responsibly</b>			
3.1	A listed entity should have a code of conduct for its directors, senior executives and employees.	<p>The Board has established a Code of Conduct for the Board and Management. The Code of Conduct is available on the Company's website (<a href="http://www.wonhe.com.au">http://www.wonhe.com.au</a>).</p> <p>The Board is committed to meeting their responsibilities under the Constitution and <i>Corporations Act 2001</i> (Cth) when carrying out their functions as company officers.</p>	Y
	Provide the information indicated in Guide to reporting on Principle 3.		Y
<b>Principle 4: Safeguard integrity in corporate reporting</b>			
4.1	<p>The Company should have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p>	<p>The Board acts as the Audit and Risk Committee and has adopted a Charter in its capacity as the Audit and Risk Committee, which is available on the Company's website (<a href="http://www.wonhe.com.au">http://www.wonhe.com.au</a>)</p> <p>As the Board acts as the Committee its consists of all Company directors. The Board believes it is appropriate for the Board to act as the Audit Committee at this stage of the Company's development. Therefore, a separate Committee has not been established.</p> <p>The Board is not Chaired by an independent director for the reasons set out in 2.5.</p>	<p>N</p> <p>N</p> <p>N</p>
4.2	The Board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting	The Board receive a written assurance from the CEO and CFO (or equivalent) for each financial reporting period that their opinion is founded on a sound system of risk management and internal control and that the system is operating effectively in all	Y

	standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	material respects in relation to financial reporting risks.	
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	The Company's auditor is required to attend the Company's AGM and is available to answer questions relevant to the audit.	Y
	Provide the information indicated in Guide to reporting on Principle 4		Y
<b>Principle 5: Make timely and balanced disclosure</b>			
5.1	Company should have a written policy for complying with its continuous disclosure obligations under the Listing Rules	The Company has adopted a Communication and Disclosure Policy to ensure compliance with the ASX Listing Rules disclosure requirements. The Communication and Disclosure Policy is available on the Company's website ( <a href="http://www.wonhe.com.au">http://www.wonhe.com.au</a> )	Y
	Provide the information indicated in Guide to reporting on Principle 5		Y
<b>Principle 6: Respect the rights of security holders</b>			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	The Board has adopted a Communications and Disclosure Policy, and as part of this policy, ensure that all relevant announcements and documents are published on the Company's website in a prompt fashion.	Y
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	The Board actively engages with security holders at the AGM and responding to any enquiries they may make from time to time.	Y
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders	The Board is committed to ensuring that the Company's shareholders receive information relating to the Company on a timely basis endeavours to keep shareholders well informed of all material developments of the Company.	Y
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the	The Company provides this option to security holders.	Y



	entity and its security registry electronically.		
	Provide the information indicated in Guide to reporting on Principle 6.		Y
<b>Principle 7: Recognise and manage risk</b>			
7.1	<p>The board of a listed entity should have a committee or committees to oversee risk;</p> <p>(a) each of which has at least three members, a majority of whom are independent directors; and;</p> <p>(b) is chaired by an independent director.</p>	<p>The Board is responsible for monitoring, identifying and managing risks, and ensuring that these risk identification and management procedures are implemented and followed.</p> <p>The Board act as the Audit and Risk Committee and has adopted a Charter in its capacity as the Audit and Risk Committee, which is available on the Company's website (<a href="http://www.wonhe.com.au">http://www.wonhe.com.au</a>)</p> <p>As the Board acts as the Committee its consists of all Company directors. The Board believes it is appropriate for the Board to act as the Audit Committee at this stage of the Company's development.</p> <p>The Board is not Chaired by an independent director for the reasons set out in 2.5.</p>	<p>N</p> <p>N</p> <p>Y</p>
7.2	The board or a committee of the board should review the entity's risk management framework at least annually to satisfy itself that it continues to be sound.	The Board is responsible for periodically reviewing the Company's risk management framework (at least annually) and disclosing, in relation to each reporting period, whether such a review has taken place, and carrying out any processes or procedures required by the Company's Risk Management Policy as amended from time to time;	Y
7.3	The Company should disclose if it has an internal audit function, how the function is structured and what role it performs.	The Board are responsible for reviewing and amending where necessary internal financial and audit controls and accountability mechanisms, reviewing the results of audits, and ensuring the independence,	Y

		objectivity and competency of internal and external auditors and audit processes and the separation of internal and external audit functions.	
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	As a consumer company, the Company may be materially exposed to economic, environmental and social sustainability risks from time to time. The Company has adopted a Risk Management Policy to assist with management of these risks, which is available on the Company's website.	Y
	Provide the information indicated in the Guide to reporting on Principle 7		Y
<b>Principle 8: Remunerate fairly and responsibly</b>			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>The Company has not established a separate Remuneration and Nomination Committee. Given the size of the Board and the Company's current operations, it is considered that no efficiencies or other benefits would be gained by establishing a separate Remuneration and Nomination Committee. The Board will review this position on an ongoing basis as the Company grows.</p> <p>The full Board oversees matters usually the responsibility of a Remuneration and Nomination Committee in accordance with the Company's Remuneration &amp; Nomination Policy which is available on the Company's website.</p>	N
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	The Board is responsible for the Company's remuneration policy and has adopted a Nomination and Remuneration Policy which outlines the processes by which the Board reviews	Y

		officer and management remuneration.	
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	The Company does not have an equity based remuneration scheme at this time.	N/A
	Provide the information indicated in the Guide to reporting on Principle 8		Y

For further information about the Company's corporate governance policies, and to obtain copies of these policies, please refer to the Company's website, <http://www.wonhe.com.au/>

#### **Compliance with ASX Listing Rules**

The Company confirms that, as at the date of this announcement, it is in compliance with the ASX Listing Rules, and, in particular, ASX Listing Rule 3.1.