



WONHE MULTIMEDIA COMMERCE LIMITED ACN 607 288 755
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21 January 2016

ASX Announcement
Agreement to Develop Wireless Network in Beijing

Wonhe Multimedia Commerce Limited is pleased to announce that its group operating subsidiary Shenzhen Wonhe Technology Co., Ltd. ("Shenzhen Wonhe"), has entered into an agreement titled "Wireless Network Coverage Project in Beijing Area" with Guangdong Kesheng Enterprise Co., Ltd. ("Guangdong Kesheng"). The agreement contemplates that the two parties will work together to develop a wireless network in certain designated areas of Beijing. The commercial purpose of the network will be to serve as a vehicle for advertising and marketing, with the revenue to be shared between Shenzhen Wonhe and Guangdong Kesheng.

Shenzhen Wonhe has committed in the agreement to provide 382,990,000 RMB (USD \$58.25 million) to the project, including 226,010,000 RMB (USD \$34.37 million) in cash and 118,980,000 RMB (USD \$18.09 million) in routers and other equipment. Shenzhen Wonhe will also contribute the network that it recently developed in the Tongzhou District of Beijing as a pilot project, at a cost of 38,000,000 RMB (USD \$5.78 million). Shenzhen Wonhe's cash contribution will be paid over three years: 104,498,990 RMB in 2016, 84,636,558 RMB in 2017 and 36,871,412 RMB in 2018. Shenzhen Wonhe has also committed to develop the data systems that will be used by the network. Guangdong Kesheng has committed to supervise the engineering and construction, coordinate relationships with local government, and manage the network's operations.

Guangdong Kesheng has guaranteed a minimum of eight years of operations by the network. Guangdong Kesheng has also guaranteed six years of fixed amount payments to Shenzhen Wonhe as follows:

	<u>RMB</u>	<u>USD</u>
2017	10,000,000	\$ 1,520,843
2018	60,000,000	\$ 9,125,058
2019	135,000,000	\$ 20,531,383
2020	223,000,000	\$ 33,914,802
2021	246,000,000	\$ 37,412,742
2022	285,000,000	\$ 43,344,030

During any subsequent years in which the network remains profitable, twenty percent of the profits will be paid to Shenzhen Wonhe.

Justyn Stedwell
Company Secretary
On behalf of the Board of Directors
Wonhe Multimedia Commerce Limited



About WONHE Multimedia Commerce Limited

WONHE Multimedia Commerce Ltd (“Company”) is an Australian company which was established in August, 2015 and listed on the Australian Securities Exchange in December, 2015.



The operating company of WONHE is Shenzhen WONHE Technology Co Ltd (‘WONHE Technology’), a company incorporated in China. Through ownership of the Company’s Subsidiaries, the Company owns the WONHE Business.

WONHE Technology was founded in November 2010 and its main products are domestic and commercial routers, a home media center and related systems and management platforms. WONHE Technology’s commercial routers generate Wi-Fi hotspots, which can be used to market goods and services to consumers visiting physical stores, while its Home Media Centre stream television over the internet, provide a video-on-demand service and game console and the domestic routers are “intelligent” routers with an independent operating system.