



December 16, 2019

NetLinkz announces it has reached agreement with iSoftStone for Netlinkz to own 80% of the joint venture company - Beijing iLinkAll Technology Co. Ltd.

NetLinkz Limited (ASX: NET) ('NetLinkz' or 'Company') is pleased to announce that it has finalised its China joint venture agreement with iSoftStone Information and Technology (Group) Co. Limited (**iSoftStone**) and established Beijing iLinkAll Technology Co. Ltd (**iLinkAll**). Netlinkz through its wholly owned subsidiary Netlinkz Technology Hong Kong Limited will own 80% of iLinkAll with an entity nominated by iSoftStone owning 20%.

The Company had previously announced to the ASX on 11 July 2019 that it had signed a Memorandum of Understanding with iSoftStone to enter into a joint venture agreement where iSoftStone would own the controlling stake at 51% and Netlinkz would own 49%. The shareholding change to 80% for Netlinkz ownership and 20% to iSoftStone's nominated entity reflects the acknowledgement by iSoftStone that Netlinkz is supplying significant management expertise and financial resources to ensure the success of iLinkAll.

This change in ownership structure of iLinkAll has meant the Company can revise its previously announced expected revenue for 1 Jan 2020 to 31 Dec 2020 from A\$10.1m to A\$15.3m.

iLinkAll will market, distribute and sell the Virtual Secure Network product as well as the Company's VIN and VSP products. iLinkAll has arranged for the necessary licences to be issued to satisfy the regulatory requirements for iLinkAll to sell its products to governments and state owned enterprises in China.

The VSN (Virtual Secure Network) was previewed by iSoftStone at the AWS Summit in July 2019 and is now in version 1.0. Orders for the VSN in China have commenced and products are currently being delivered to customers for on-premise testing and integration.

The VSN is a ground-breaking secure networking product that has been developed in the Beijing IoT Lab that is jointly operated by Netlinkz and iSoftStone. The VSN is a fully optimized aggregation platform which enhances, secures and allows customers to integrate secure cloud and networks seamlessly into their operations no matter where they are located.

iLinkAll launched Version 1.0 of the VSN product on Thursday 12, December at the China Ministry of Industry and Information Technology's "Cloud 500" Cloud Computing Ecosystem Summit. The VSN was awarded the Outstanding Cloud Migration Solution at the Summit.



"I am excited to announce the formalisation of the China joint venture and the release of Version 1.0 of the VSN product that was delivered ahead of schedule and under budget by the dedicated iSoftStone engineers in the Beijing IoT Lab. I am also very pleased that the VSN product has won yet another prestigious industry award in China for Outstanding Cloud Migration Solution."

James Tsiolis Chairman and CEO, Netlinkz Limited

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About NetLinkz Limited

NetLinkz provides secure and efficient cloud network solutions. The Company's technology makes Fortune-500 security commercially available for organisations of all sizes. NetLinkz has received numerous industry awards for its technology, including being a worldwide winner of the Global Security Challenge.

www.netlinkz.com

About iLinkAll

Beijing iLinkAll Technology Co. Ltd approved by Chinese Government Authorities
80% owned by wholly owned Netlinkz subsidiary Netlinkz Technology Hong Kong Ltd, 20% owned by an entity nominated by iSoftStone.
IOT Lab established in Beijing and a 24/7 China wide customer service centre in Shandong, China
53 staff in total