

ASX / Media Release

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Digimatic Australia to pilot a program with Australia Post to create an Australian Pavilion in the Lazada marketplace

HIGHLIGHTS: • Digimatic

- Digimatic Australia has entered into an agreement with Australia Post to pilot a program to help Australian merchants sell in the Lazada Marketplace for 3 countries in South East Asia.
- Digimatic Australia will work with Lazada to create an online Australian Pavilion for the Malaysia, Singapore and Indonesian market.
- Digimatic Australia will be the official marketing, technical and operations partner of Australia Post for the Australian Pavilion in Lazada for the appointed 3 countries.

Digimatic Australia Pty Ltd., a subsidiary of Digimatic Group Ltd (ASX:DMC), has entered into an agreement with Australia Post to run the Australian Pavilion on the Lazada Marketplace for Malaysia, Indonesia and Singapore.

As part of the agreement, Digimatic Australia will kick start the pilot project in early December 2016 to assist Australian merchants list and promote their products on Lazada Marketplace, and to provide the marketing, technical and operational support required.

Australia Post's Increasing Focus on eCommerce and Pilot via Lazada

Australia Post was founded in 1809 and operates normal mail delivery around the country as well as an express/courier service through Messenger Post. The company is a government-owned business; however, the business is commercially run and dedicated to providing accessible, reliable and affordable postal services to all Australians.

Australia Post has always facilitated commerce in Australia and their latest strategy of delivering eCommerce to everyone, everywhere, every day is the natural evolution of that role in the digital era. Over the past 5 years, Australia Post has invested more than A\$2 billion to build on existing capabilities and to create new services to ignite the growth of their eCommerce business and develop an unrivalled suite of eCommerce-driven payment, logistics, supply chain and parcel delivery solutions.

In 2015, retail e-commerce sales worldwide amounted to 1.55 trillion US dollars and e-retail revenues are projected to grow to 3.4 trillion US dollars in 2019 according to Statistica.co

Digimatic Australia, a technology platform company, with proven experience in building and operating market places, offers a unique single unifying management platform for brands to connect to global eMarketplaces via its ShangGlobal solution.

HELPING BRANDS CONNECT



The agreement between both companies will facilitate Australian merchants to expand their businesses via Lazada's marketplace across the countries of Singapore, Malaysia and Indonesia in a cost-effective manner. Merchants enjoy the benefits of greater efficiency without having to worry about the hassle of order management, logistics support and language issues when selling overseas.

Digimatic's unique "marketplace in a marketplace" concept also allows the merchants to be grouped together under an Australian Pavilion identity within the already established marketplace platform run by Lazada.

The Lazada Group, which operates Southeast Asia's number one online shopping and selling portal, with local presence in Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam, is a strategic choice for Australia Post and Digimatic Australia.

launched in March 2012, Lazada pioneered eCommerce in the region by providing customers with an effortless shopping experience via multiple payment methods including cash-on-delivery, extensive customer care and free returns. Lazada features a wide range of product offerings in categories in categories from consumer electronics to household goods, toys, fashion and sports equipment.

The eCommerce marketplace currently offers brands and merchants a simple solution with direct access to about 560 million consumers in six countries through one retail channel.

Building a Marketplace for Australian Merchants

Australia Post is committed to helping local merchants expand their reach to new markets via their growing eCommerce channels. The new partnership would allow for both Digimatic Australia and Australia Post to further evaluate the potential of the ShangGlobal solution to help Australia merchants to potentially expand their business to other marketplaces in the region and beyond.

"We are happy to be partnering with Australia Post in this pilot project to help their local merchants reach out to customers in 3 Southeast Asian markets via our ShangGlobal online commerce platform solution. We feel that there is a huge potential for businesses to be able to increase their revenues significantly by selling via eCommerce and this will be the primary means of conducting sales in the future." says Denis Koh, CIO of Digimatic Group Ltd.

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About Digimatic Group Ltd

Digimatic Group Ltd (ASX: DMC) is a Global Brand Enabler that empowers Brands to Connect to their Customers in the most effective way. As a thought leader in the digital space, Digimatic is a disruptive innovator that combines a unique blend of ROI Branding, ROI Marketing and ROI Commerce expertise to help clients achieve true value from their business investment.

About Digimatic Australia Pty Ltd

Digimatic Australia Pty Ltd is a fully owned subsidiary of Digimatic Group to serve the needs of our customers throughout Australia. The entity specialises in providing sustainable business solutions via commerce technology in consultation with its clients. Capabilities of the team include the building of eCommerce platforms and eMarketplaces, websites, mobile applications and end-to-end customised platforms that include logistics, managed services as well as digital marketing solutions that ensure continued traffic and lead generation to the platforms or sites.

Further Information:

Singapore

Digimatic Creatives Pte Ltd Investor Relations info@digimaticgroup.com

Australia

Zane Lewis
Non Executive Director
Ph +61 40000 7900
zane@smallcapcorporate.com.au



