

**ASX / Press Release**

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## **Mitula Group Expands Presence in Fashion Vertical by Acquiring Dutch Based Fashion Vertical Search Specialist Kleding BV**

**Highlights:**

- The Mitula Group acquires Kleding BV in the Netherlands – the owner of 16 fashion vertical search sites operating under the Kleding.nl and Fashiola brands;
- Kleding BV was acquired for EUR 10.0m (AUD 13.7m) in cash and 1.0m Mitula Group shares. There is also a further earn out period of 10 months until 31 December 2017 that may result in an additional payment being made if certain revenue and EBITDA targets are met;
- Kleding.nl and Fashiola's branded sites today primarily operate in Tier 1 Established markets where the Mitula Group has a strong presence that can be leveraged to accelerate their growth;
- For the 12 months to 31 December 2016, Kleding BV had approximately EUR 3.0m (AUD 4.1m) in revenue, a year on year growth rate of 62%, and an EBITDA of approximately EUR 0.4m (AUD 0.6m); and
- Kleding BV's CEO, Peter Langenkamp, will continue to run the business.

The Mitula Group Limited ("**Mitula Group**" or "**Company**") (ASX:MUA), a leading digital classifieds group, has acquired Kleding BV ("**Kleding**"), a Dutch based fashion vertical search specialist, to accelerate its movement into the fashion vertical and the associated transaction based revenue.

Kleding operates 16 fashion vertical search sites under the Kleding.nl brand in The Netherlands and the Fashiola brand in Denmark, Australia, United Kingdom, Germany, Austria, Sweden, France, Poland, Italy, Switzerland, Brazil, Spain, Portugal and Belgium (French and Dutch sites).

The sites aggregate over 18m products from 1,000 different online stores across men's and women's clothes, shoes and accessories.

Visitors to these sites select an item they are interested in and then click out to the originating online store. These click outs are monetised on a cost per acquisition basis whereby Kleding receives a percentage of the total spend by the user on the destination site during the first 30 days from the click out. The Kleding.nl and Fashiola sites also provide display advertising opportunities for fashion brands to reach their highly targeted and relevant audience.

In total the Kleding sites received over 3m visits in January 2017 and generated over 1.2m click outs to partner sites.

For the 12-months to end December 2016, Kleding generated approximately EUR 3.0m (AUD 4.1m) in revenue, a year on year growth 62%, with an EBITDA of approximately EUR 0.4m (AUD 0.6m).

The consideration, as a part of the acquisition, is EUR 10.0m (AUD 13.7m) in cash and 1.0 million Mitula Group shares which are subject to voluntary escrow arrangements. The cash component will be funded from existing cash reserves.

In addition, there is an earn out period of 10 months until 31 December 2017 that may result in an additional payment being made if certain revenue and EBITDA targets are met. Any payment made due to performance during this earn out period will be by way of Mitula Group shares with the volume of shares to be issued being calculated using the Mitula Group share price at time of payment. These shares will also be subject to voluntary escrow arrangements.

**Gonzalo del Pozo, CEO of the Mitula Group, commented:** “We are very excited by the acquisition of Kleding. It immediately provides us with a strong position in fashion vertical search that we can help grow by leveraging the 80 million visits per month to our other Mitula vertical search sites.

“The fashion segment is important to us as we are keen to move from being primarily a provider of clicks to our partners to a company that is sharing more in the lucrative transaction revenue stream. The fashion segment is structured around commission sharing.

“We are also excited to welcome Peter Langenkamp and his team to the Mitula Group. They bring significant experience and expertise in the fashion vertical.”

**Jan-Willem Tussveld, Chairman of Kleding BV commented:** “We are proud of the growth of our fashion vertical sites over the past 5 years and by partnering with the Mitula Group, we will be able to rapidly accelerate that growth. We look forward to working closely with Gonzalo and his team, to capture the synergies between our companies and make both Fashiola and the Mitula Group even more successful.”

Kleding BV will operate as a fully owned subsidiary of the Mitula Group with Peter Langenkamp continuing as CEO.

### **About the Mitula Group**

The Mitula Group was founded in 2009 and is a leading digital classifieds group operating classifieds vertical search and portals sites.

- It operates 104 vertical search sites across property, employment, motoring and fashion in 51 different countries and 19 different languages. These sites operate under the Mitula, Fashiola, Kleding.nl, Nestoria and Nuroa brands.
- It operates 10 property portals in 9 South East Asian countries under the Dotproperty and Thailand-property brands.

The Mitula Group generates over 80 million visits per month to its network of classified vertical search and portal sites.

The Mitula Group monetises visits to these sites through a range of products and services including Google AdSense, cost-per-click out ("CPC") sales, cost-per-acquisition ("CPA"), display advertising, and listing sales.

The Mitula Group customers include portals (property, employment and motoring), online fashion stores, general classified sites, real estate agents, developers and general display advertisers.

The Company listed on the Australian Securities Exchange on 1 July 2015 and trades under the ticker code MUA.

## **Further Information**

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