

Grays eCommerce Group expands in B2B via acquisition of DMS Davlan

22 June 2015: Grays eCommerce Group Limited (ASX: GEG) is pleased to announce that it has reached an agreement to acquire the business of DMS Davlan Pty Limited. The acquisition is EPS accretive.

DMS Davlan is a leader in the sale by auction of agricultural machinery, and brings recognised expertise in the transport and civil construction industries. The company operates through a national network with 15 branches throughout Australia including 7 key regional locations.

Base consideration for DMS Davlan's assets totals approximately \$3 million and will be a mix of cash (\$2.8 million) and shares in Grays. The acquisition consideration also includes Earn Out payments linked to FY16 and FY17 EBITDA contributions by DMS Davlan.

Commenting on the acquisition, Grays' CEO, Mark Bayliss said: "DMS Davlan is a strong strategic and cultural fit for Grays. Grays' B2B business is the largest B2B online auction marketplace in the Asia-Pacific region, and this acquisition complements our existing business through the addition of a highly respected regional B2B business in the key agricultural vertical consistent with our growth strategy.

"The addition of senior staff from DMS Davlan – experts with long-established and valuable local networks – will substantially enhance Grays' capabilities and deliver a number of benefits that will allow further optimisation of our existing business, expansion in key verticals and accelerated revenue growth."

"We are focused on growing shareholder value, and this acquisition clearly sets the tone for the future of Grays eCommerce Group and our focus on growing in the B2B segment where we have a leading strategic position," added Mr Bayliss.

DMS Davlan Directors, Lance Smith and Richard Skellern said: "DMS Davlan is extremely excited about the transaction and believes that the combination of our business within the existing Gray's business will enable the expanded enterprise to grow both domestically and internationally. DMS Davlan brings a wealth of knowledge in the agricultural space and increased opportunities in banking, insolvency and finance. The eCommerce platform provided through Grays will enhance the DMS Davlan service for both buyers and sellers."

It is expected the transaction will close 1 July 2015.

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For more information please contact:

Corporate

Mark Bayliss – CEO

P: 02 9112 9440

Investors

Ronn Bechler – Market Eye

P: 0400 009 774

Media

Matthew McGrath – Cato Counsel

P: 0476 871 570

About DMS Davlan Pty Limited

DMS Davlan is one of Australia's premier asset management companies, specialising in a range of plant and equipment, chattels and business assets. The company's goal is to provide unparalleled levels of service to its clients through superior knowledge, speed and accuracy. DMS Davlan's people are experienced in all aspects of asset management including valuations, marketing, disposal and risk assessment. For further information go to www.dmsdavlan.com.au

About Grays eCommerce Group Limited (ASX: GEG)

Grays eCommerce Group is Australia's largest eCommerce group. By leveraging existing operations, sourcing capabilities, and eCommerce experience, Grays eCommerce Group is well positioned to be the leading online international auctioneer and Australasian retail destination by unlocking real value for our business partners, vendors and customers. For further information go to www.graysecommercegroup.com.au