



Digimatic Group



HELPING BRANDS CONNECT

ASX / Media Release

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Digimatic Starts New Collaboration in Hong Kong

HIGHLIGHTS:

- DMC executes first agreement in Hong Kong SAR China
- Advance System & Consultants (HK) Company Ltd (“ASC”) signs non-binding agreement with Digimatic Solutions to build an eMarketplace for fashion brands and consumers
- DMC will work on a potential Joint Venture Company (“JVC”) collaboration with ASC and work towards finalising an Investment Agreement within 8 weeks

Digimatic Group Ltd (ASX: DMC) (the “Company” or “DMC”), via Digimatic Solutions Pte Ltd (“Digimatic Solutions”) has completed the signing of a non-binding agreement with a reputable fashion retail ERP system developer in Hong Kong to supply branding, marketing and technology solutions.

Potential JVC Collaboration with Hong Kong ASC Ltd

Advance System & Consultants (HK) Company Ltd (“ASC”) is an established technology solutions company that runs Fashionpro Ltd, a reputable fashion ERP systems development company in Hong Kong SAR China. The collaboration between ASC and Digimatic Solutions will potentially allow ASC to create a new revenue stream for its own business as well as its merchants, by reaching out directly to end users and helping its local merchants to reach out to the regional market.

ASC will be injecting IP in the form of fashion brands and ERP platform expertise to the JVC while Digimatic Solutions will inject IP in the form of eCommerce solutions, technology and implementation expertise to the JVC. As part of the JVC agreement, ASC will novate part of their customers and contracts to the JVC. DMC and ASC have agreed negotiate within 8 weeks a mutually agreeable and definitive Investment Agreement that will formalize the creation of the JV.

This new JVC will potentially allow both companies to successfully penetrate the fashion eCommerce market within the region together, and also provide ASC with an additional complementary business extension that will help its current customers outreach to a larger end user market. ASC will benefit by being able to reach out to both end users as well as the fashion brands for feedback and transactions.

With their already strong fashion ERP system in place, ASC can also integrate brands seamlessly across to the new eCommerce platform without having to set up a completely new system for the brand owners to use. This will be more cost-effective and also save the brands time and effort in setting up their eStores.

From the partnership, Digimatic Solutions will be able to increase its market presence to the Hong Kong and China regions, and at the same time increase its revenue and profits through the JVC agreement. With strong technological capabilities, Digimatic Solutions is able to help the brands increase their reach from a single market to worldwide markets by populating their products to other marketplaces like Lazada and eBay.

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Digimatic Solutions will also be providing branding services to the JVC via its subsidiary, AP media, as well as digital marketing solutions that will help drive targeted traffic to the eMarketplace. It is anticipated this will result in additional leads and sales conversion on the platform.

Executive Director Mr Hui Jie Lim stated “The strategic partnership between ASC and Digimatic Solutions will allow brands that already have an ERP system with ASC to be able to easily go online to sell their products to a larger worldwide market. We see the benefit in integrating the ERP expertise of ASC with the eCommerce and marketing expertise of Digimatic Solutions to help bring about long term value for our customers, and to fulfil our goals of helping our customers build sustainable businesses.”

About Digimatic Solutions Pte Ltd

Digimatic Solutions is the technology arm of Digimatic Group Ltd and specialises in providing sustainable business solutions via commerce technology in consultation with its clients.

Digimatic Solutions in-house capabilities 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.

About Advance System & Consultants (HK) Company Ltd

Advance System & Consultants (HK) Company Ltd is a systems development company specialized in fashion retail ERP systems under the brand Fashionpro. The company has helped supply renown brands in the industry with more than 2,000 successful site implementations in Asia and with more than 100 brands on board with them.

Some of the brands working with ASC include YGM Trading Limited, Guy Laroche, Clarks, Swank, J. Lindeberg, Ashworth, Lowry's Farm as well as Paul & Joe.

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