

ASX/Media Release

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Chairman's Address to Shareholders 2014 Annual General Meeting

Good morning. My name is Andrew Plympton, and I am the Chairman of Shoply Limited. On behalf of the Company, I welcome you to the Shoply 2014 Annual General Meeting. I would like to take this opportunity to address shareholders on the Company's activities and progress during the financial year ended 30 June 2014.

The 2014 financial year was a year of progress and transformation for the Shoply Group, as the Company transitioned away from its online advertising business operations to focus on its online shopping business offerings. This decision was taken by the Board as result of a number of factors, and in light of the Board's strategy to expand its Online Shopping Division, aimed at capitalising on the increasing number of Australian shoppers seeking the convenience and value provided by shopping online. In support of this strategy, during the year the Shoply Group purchased the assets of 6 online businesses, the strategically significant ones being the acquisitions of the businesses and assets of Your Home Depot and Warcom. The activities carried out by Shoply's Online Advertising Division ceased in June 2014.

The Company's result from continuing operations for the period was a net loss of \$1,530,548. These results reflect the Company's creation of, and investment in, its Online Shopping Division, including its acquisition of the 6 online businesses as previously mentioned. The Company's result inclusive of discontinued operation for the 2014 financial year was a net loss of \$1,489,936, compared to the previous year of a net profit of \$45,471 attributed to the Online Advertising Division which has now been discontinued.

In its first year of operation, the Online Shopping Division generated \$1,656,743 in revenues. Subsequent to the cessation of its Online Advertising Division during the year, Shoply is now positioned as a pure-play online shopping company with expected revenues of approximately \$18m in the 2015 financial year.

The Company's strategy continues to be the generation of organic growth of its online shopping destinations, together with a proactive search for appropriate acquisition opportunities to broaden that division's scope and economies of scale. The Company is continually reviewing the market for opportunities. My fellow Directors and I look forward to keeping all shareholders updated as developments occur.

I would like to thank all shareholders for their continued confidence in the Company, and thank my fellow board members and all of the Company's management, staff and contractors for their efforts over the year.

-ENDS

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