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Xpediator Plc

("Xpediator" or the "Group")

EshopWedrop Expands European Franchise Network

Xpediator Plc, (AIM: XPD) a leading provider of freight management services across the UK and Europe, is pleased to announce that its B2C EshopWedrop service, as part of establishing a pan European network, has made its first country franchise awards to manage the brand in Cyprus and Albania to Kronos Express and Albanian Courier SHPK respectively.

EshopWedrop was established in 2015 in Lithuania and has since expanded into Latvia, Estonia and Romania. The service is a B2C offering that overlays existing B2B groupage service lines run by the Group's freight forwarding division, Delamode. The service enables consumers in these countries to make online purchases in the UK, Poland, Italy, France and Germany and have their goods delivered quickly and at a price acceptable to consumers. Historically, while delivery options have been available, the cost of delivery has been prohibitive and consumers in these markets have been deterred from buying goods online in Western Europe.

Delamode already delivers significant shipment volumes into Eastern Europe and EshopWedrop is a logical extension of this business accommodating B2C deliveries alongside existing B2B groupage services.

As part of the service, individual items are consolidated and delivered, firstly, to origin countries consolidation hubs and then transported using Delamode's freight forwarding infrastructure to the destination countries hubs: the "final mile" delivery is contracted to local courier operators.

e-commerce activity in Europe and in particular across the CEE region is increasing strongly. In Cyprus 27% of online purchases in 2016 were cross-border, a 23% increase from 2015 which is the 4th highest growth rate of European countries with Lithuania's growth rate of 31% being the highest. By establishing a European B2C network, the Group will be able to offer a comprehensive service and maximise the opportunity for EshopWedrop. It is expected that this network will comprise franchisees that can complete the "final mile" delivery and are able to invest in marketing the EshopWedrop brand in their respective countries.

The first two franchise partners, Kronos Express and Albanian Courier SHPK are both well-established courier companies in Cyprus and Albania respectively. The agreements involve an upfront fee for the exclusive country franchises and a commitment to invest in promoting the EshopWedrop brand in their markets.

Stephen Blyth, Xpediator CEO, commented,

"EshopWedrop is a natural extension of our existing operations and represents an affordable solution to the many consumers living in CEE countries who have been priced out of buying goods from

international online retailers. The demand for this service is substantial and we have a good pipeline of potential franchise partners for a further 5 countries which once completed would see us provide a pretty comprehensive service for the CEE region. It is early days but the potential for EshopWedrop is exciting.”

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Xpediator Group 2017 Industry Awards

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|-------------|---|
| Wins | <ul style="list-style-type: none"> • Chartered Institute of Transport & Logistics (CILT) Excellence Awards for Information Management • The British International Freight Association’s (‘BIFA’) award for European Logistics |
| Shortlisted | <ul style="list-style-type: none"> • Global Freight Awards for Service Innovation category |
| Finalists | <ul style="list-style-type: none"> • Freight Transport Association (FTA) for Freight carrier of the year |

About EshopWedrop

One of the main drivers for the business is delivery cost to the consumer. The service has been priced so that even with the cost of transport included purchases are not prohibitive for the consumer and they can therefore continue to shop competitively online.

Importantly, EshopWedrop is easy for consumers to use and offers many advantages:

- EshopWedrop supply the customer with an address in the country of purchase for the e-tailer to deliver to – this being one of the Company’s B2B consolidation facilities
- Once the goods are receipted, they are labelled with a barcode, photographed and it becomes possible for the customer to track their progress
- Once the goods are dispatched, the customer can then see when the goods arrive at the destination country’s distribution facility
- Convenient delivery options: option to have goods delivered to consumers’ homes, work or to a collection point for pick up

- Currently customers can order goods online from the UK, Germany, Italy, France and Poland

For more information, please visit: www.xpediator.com