

# AHL

## AHALIFE HOLDINGS LIMITED

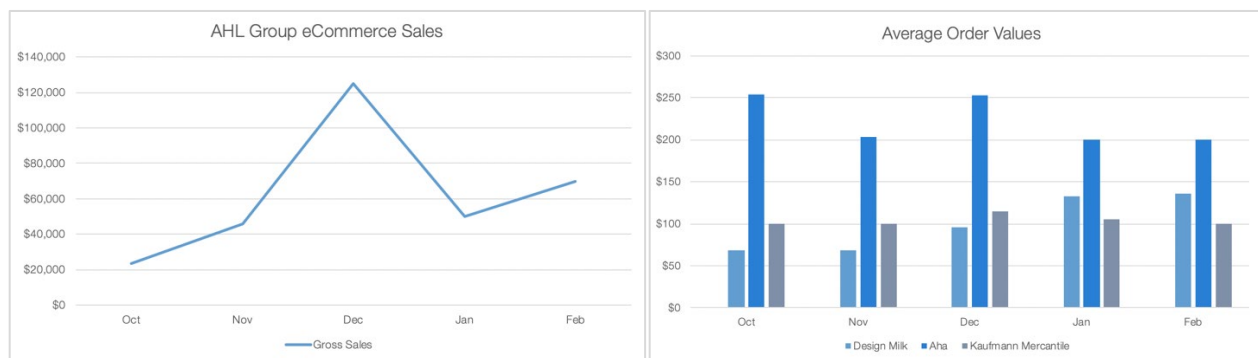
Sydney, Australia and Columbus, OH, USA

27<sup>th</sup> March 2020: Ahalife Holdings Limited (ASX: AHL)

### Trading Update

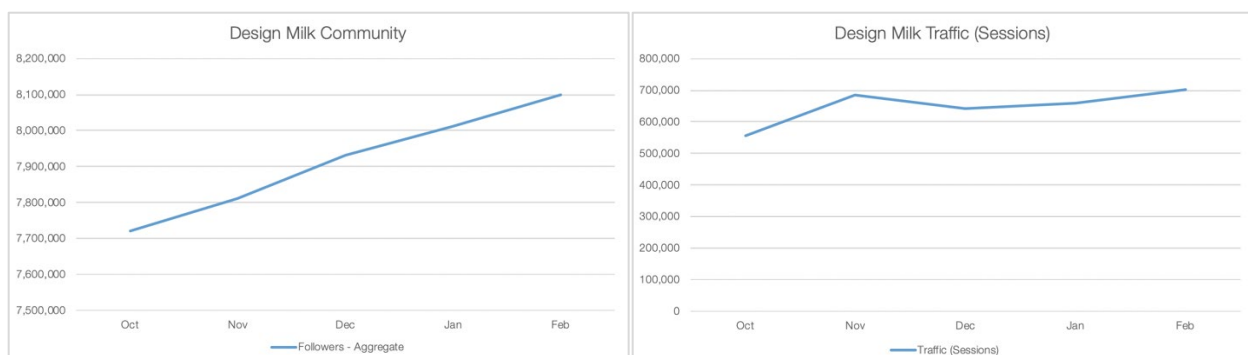
#### Sales:

- As we build our product catalogue, we see strong, monthly revenue growth, with a natural peak over the holidays
- We have repositioned the AHA + Kaufmann Mercantile brands to speak to a broader, diversified audience, clearly differentiated from each other and Design Milk
- Curating each website by lifestyle and broadening our product offer allows us to balance our Average Order Value (AOV) between US \$100 and \$200+



#### Audience:

- Since acquiring Design Milk we continue to engage and grow our community to over 8 million aggregate followers
- Our website traffic has increased, a positive reflection of our considered approach to content and ecommerce
- Steady growth of our audience strengthens our conversion opportunities
- Increasing our audience supports our ambition for further growth in our advertising revenue

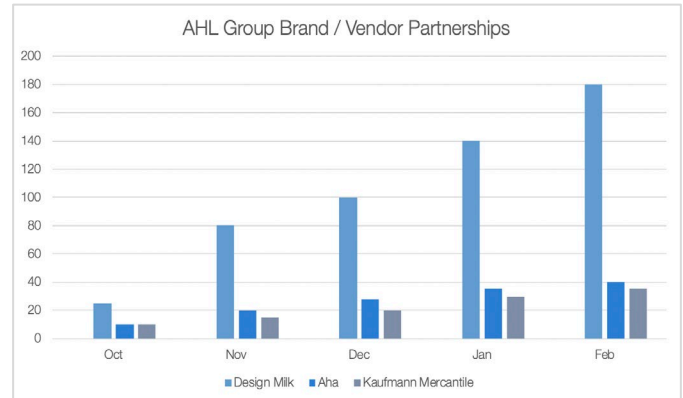


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### Brands + Products:

- Sales revenue is directly linked to the depth of brand partners (vendors) we showcase and retail on our websites
- We launched Design Milk ecommerce in late October with approximately 25 brand partners, which has grown to be 180 today
- We continue to refine the Design Milk assortment and rebuild the AHA + Kaufmann Mercantile from today's base
- Our target is a steady state of 300 vendors per website being constantly refreshed and rotated with new products



### Costs:

- We have reduced customer acquisition costs between -50% and -75% vs. LY
- As we grow our product assortment across the three websites we anticipate a natural increase in healthy sales through our diversified and curated lifestyle approach
- Our Design Milk audience growth further supports cost effective customer acquisition



### Operations:

- Our March revenue is trending towards delivering another month of positive growth in product sales across the sites
- However, we are extremely aware of the macro environment and are prepared with several layers of cost-saving actions depending on the severity of the Covid-19 crisis
- Our core strategy remains in place. We will continue to grow our product assortment to deliver engaging content and take additional creative steps to drive advertising and sales revenue
- We are accelerating several projects to support our brand / vendor partners and the broader design community

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- We remain confident in our strategy and agility, and look forward to deploying the funds raised from the recent placement and the rights issue, which raised a total of approximately A\$1.6m, to further operational initiatives that will lead to growth in the future

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This announcement has been authorised for release by the Board.

For further inquiries, please contact:

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About Ahalife Holdings Limited (ASX: AHL)

AHL owns and operates multiple e-Commerce brands that support independent brands and designers from around the world: Design Milk, a world-renowned, award-winning digital media company that has thrived through the support of an engaged community over the past 13 years: Ahalife, an eCommerce website and blog supporting premium lifestyle designers and brands: Kaufmann Mercantile, a blog and eCommerce website dedicated to independent craftsman and brands focused on sustainable manufacturing and product lifecycles.

For more information, please contact AHL Investor Relations.