

AHL

AHALIFE HOLDINGS LIMITED

Sydney, Australia and Columbus, OH, USA
15th April 2020: Ahalife Holdings Limited (ASX: AHL)

Business Update

During these unprecedented economic times and recent changes in AHL's operating model since acquiring Design Milk, the Board and Management is pleased to provide a trading update on actions we're taking to ensure the business maximizes opportunities we see and reduces risk wherever possible.

Management has taken aggressive steps to cut operational costs and apply for all available operational and financial support. We will continue to monitor the business and trading environment, adjusting as needed.

Our March sales results were positive, closing +24% vs. the prior month. Another positive growth month for us.

April trading has started even stronger as we continue to add vendors and reengineer our marketing strategy, speaking to what our community is dealing with today. This month we launched a new initiative supporting brick + mortar stores who cannot open, we will move our Design Milk Stand pop-up store into the virtual world, and host our first Instagram TV event, a series of interviews and panel discussions with industry experts on the New World of Design, post Covid19.

Appealing to a broader audience through three curated websites is a win, enabling us to retail more brands through clearly differentiated lifestyle aesthetics. Our Average Order Value's (AOV) sits at approximately \$100, \$150 and \$200 per website.

We have added approx. 40 new vendors in the past month and launched a new Wellness category on Design Milk, which now showcases 200 vendors. Our target is 300 vendors per website.

Our advertising and media bookings slowed but we have avoided cancellations and recently sold several new media partnerships for April. We have started an aggressive program of brand outreach offering high value media packages to existing and new vendors. As a digitally native brand with a large, engaged audience of 8 million followers Design Milk is well positioned to capture advertising revenue and build new media partnerships for 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.

