



ASX ANNOUNCEMENT

AHALife acquires US design marketplace Bezar.com to accelerate growth

New York City, USA and Sydney, Australia – 3 February 2016: AHALife Holdings Limited (ASX: AHL), an online marketplace for curated luxury products, today announced the acquisition of US online design marketplace Bezar.com. Bezar connects niche designers to sell directly to buyers.

The transaction cements AHALife as a leading international marketplace for consumers of luxury items and designer products. Bezar has approximately 150,000 registered, which will expand AHALife's existing registered users of more than 459,000 by around 30%.

Since launching in March 2015, the Bezar site promoted designers and creative entrepreneurs on a professional and highly creative website to showcase their designs and brands. The launch generated strong traffic and built an attractive registered user base.

The combined two brands provide an attractive step change in AHALife's key operating metrics and can be summarized as follows:

	AHALife	Bezár	Combined AHL
Registered Users	459,000	150,000	609,000
Brands	3,070	~500 (after removing duplication)	3,570
Product Margin	49%	~50%	
Average Order Value	USD\$181	USD\$150	

The 100% SCIP-based transaction involves the placement of approximately 500,000 shares to the founders and investors of the privately held Bezar including Bradford Shellhammer, founder and CEO, who will continue to work with AHALife as an advisor.

Key terms of the transaction are as follows:

- Consideration of USD\$200,000 to be paid through the issue of new shares in AHL (based on 20 day volume weight average price);
- Purchase of all Bezar assets unencumbered (no liabilities or corporate entities) including;
 - All of the Bezar customer (user) base and database to transfer to AHL on completion;
 - Bezar Intellectual Property, designs, website and trademarks (the combined company will continue to trade under AHALife brand post integration);
- Good faith transition and integration of any employees joining AHALife, supplier and brands;
- Bezar founder to enter into global non competes for 12 months; and



- Shares escrowed for 12 months to ensure compliance with the Corporations Act, but company will seek a waiver to the escrow on behalf of the vendors.

The AHALife and Bezar business models are highly aligned and complementary, leveraging a strong commitment to designers, loyal customer audiences, and a focus on marketplace technology. Importantly, the acquisition leverages Bezar's 150,000 strong active customer base. AHALife is a curated destination with over 3,000 handpicked designers and artisans in 45 countries. By creating a combined community which values creativity, AHALife is empowering independent designers and artisans to thrive online and the acquisition of Bezar augments this position.

Founder and CEO of Bezar Bradford Shellhammer said: "We've been long time admirers of AHALife's mission and impressive marketplace technology. Since Bezar's inception, we've been seeking ways to work together, sharing the strong belief that the best way to support independent designers was to build a sustainable marketplace for them. With this combination, we're able to further support our mutual vision of building the leading global online marketplace for curated products."

The technology underpinning the AHALife marketplace has positioned AHALife at the forefront of online marketplaces and the clear leader in the artisan gifting market. The technology platform developed by AHALife is scale ready and accommodates rapid expansion of users and transaction frequency. The current transaction traffic and users of Bezar will be seamlessly absorbed onto the AHALife platform.

Co-founder and President of AHALife Sachin Devand said: "This transaction represents a rapid and highly cost effective customer acquisition strategy that has the potential to have an immediate impact on our business. The strength of our technology has always been the ability for us to be agile and rapidly expand without any further investment in infrastructure. This acquisition is fully aligned with our strategy for 2016 to gain market share and grow rapidly while building a highly loyal and engaged user base. We expect Bezar's audience along with our own will drive greater organic and referral traffic in coming months, lowering our cost of user acquisition and retention."

AHALife founder and CEO Shauna Mei added: "This is an attractive acquisition that has minimal dilution on our shareholders but importantly accelerates growth and clearly establishes our leadership position as the number one design and gifting marketplace in the world. The user base of Bezar is highly qualified and a similar demographic to our customers. We are very excited to have this opportunity to bring Bezar into the AHALife business. It expands our users and delivers immediate new revenue. We are also very excited to have Bradford join as an advisor with his many years of experience in this space."

Initially the Bezar site will remain operational but with users seamlessly routed to AHALife's brand catalogue to ensure customer familiarity is retained. Bezar has a high profile in the US and will provide an important marketing channel to drive additional growth.



AHLife co-founders Shauna Mei and Sachin Devand will host an investor conference call at 9.30am Australian Eastern Daylight Savings Time (US EST 5.30pm; US PST 2.30pm; Hong Kong/Singapore 6.30am).

Please quote conference code 684217

Dial in Numbers

Australian Toll Free	1800 558 698
Alternative Australian Toll Free	1800 809 971
Hong Kong	800 966 806
Singapore	800 101 2785
New Zealand	0800 453 055
United States	1855 8811 339

The information pertaining to Bezar contained in this announcement has been provided to AHL by Bezar. As such the information contained therein has not been independently verified. The Board of AHL does not accept any responsibility for any misstatement or inaccuracy of this information"

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For more information

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About AHLife

AHLife Holdings (ASX: AHL) is a digital marketplace for consumers of luxury items and designer products. The Company's 449,000+ customers purchase items directly from a community of more than 3,000 handpicked designers and artisans in 45 countries. AHLife's business model involves a drop-ship approach, allowing wholesalers to ship directly to customers leaving no inventory risk for the Company. For more information, please contact Rebecca Wilson on the details above.