

FY18 Full Year Outlook

New York, USA and Sydney, Australia – 20th June 2018

Ahalife Holdings Limited (ASX: AHL), the leading player in the premium online market for independent and emerging brands, today announces its full year outlook for the financial year 2018 ("FY18").

Key summary for the FY18 full year outlook (July 2017 to June 2018 estimate)

- Booked Sales on track for **+18%** growth on prior year normalised
- **+32%** increase in Conversion Rate (FY18E vs. FY17)
- **+20%** increase in new customers acquired (FY18E vs. FY17)
- **+27%** reduction in cost of customer acquisition (FY18E vs. FY17)
- **+160%** increase in repeat customer frequency (90-day repeat period)
- Record Average Order Values in Q4 of c. **US\$220 (A\$290)**
- **+33% / +US\$1M** overhead improvement in FY18E
- Full Year EBITDA improvement of **+30%**
- Robust cash reserve balance of **A\$4.5M** on hand

June 2018 will mark the end of a very successful year for Ahalife with a number of significant achievements over the past 12 months:

Digital Advertising ROI Improvement

Average cost of customer acquisition improved by 27% in FY18 primarily as a result of the Company achieving a 32% increase in ROI (return on investment) on its digital advertising spend in the same period. This was accomplished by investing in a dedicated specialist team and through continuous optimisation of digital advertising campaigns.

Vendor Portal Rebuild

Full rebuild and redesign of its vendor portal including added functionality for mass upload, further API integration with major eCommerce platforms, a seller-managed promotional tool, seller analytics, and an enhanced user interface. This has reduced the brand onboarding time and added greater value for vendors on the platform.

Enhanced Search Capability

Image recognition tools integrated into the back-end of the platform which utilise machine learning algorithms to detect image attributes, providing users with new multi-attribute search capability on the front-end.

AHL

AHALIFE HOLDINGS LIMITED

Product Catalogue Expansion

Deepened product categories for greater customer choice. FY18 saw a 30% increase in product catalogue size – equivalent to more than 100 new products added every week.

Strategic Development

The recent focus on growth through strategic partnerships is well underway and has delivered a number of potential opportunities currently being reviewed by management and the board.

Key Metrics

(USD \$M)	FY18	FY17	Change
Normalised Booked Sales	\$6.8M	\$5.7M	+\$1.1M
Product Margin	49.4%	50.4%	-1.0%
Cancellations & Returns	6.6%	8.1%	-1.5%
Offers	19.4%	9.0%	+10.4%
GM%	40.7%	45.9%	-5.2%
EBITDA	(\$1.9M)	(\$2.7M)	+\$0.8M
Closing Cash	\$3.3M	\$1.0M	+\$2.3M

¹ Normalised Booked Sales excludes discontinued operations and products removed from the website during the business review process conducted at the end of FY17

All figures are currently unaudited and are based on management estimates. FY18 full year is an estimate.

----- END -----

AHL

AHALIFE HOLDINGS LIMITED

For further inquiries please contact:

Michael Hill (Chairman):	+61 (0)421 056 691
Andrew Whitten (Company Secretary):	+61 (2) 8072 1400
Investor Relations:	ir@ahalife.com

About AHALife

AHALife Holdings Limited (ASX: AHL) owns and operates a proprietary eCommerce platform. The Company currently operates two curated dropship marketplace brands (Ahalife and Kaufmann Mercantile) on its proprietary technology. Each site contains carefully selected designers and artisans who create and manage curated storefronts offering premium lifestyle products in the Women, Men and Home categories.

Customers can choose from a catalogue of over 80,000 items from 4,000+ carefully selected independent and emerging designers from all over the world who ship directly to the customer.

For more information, please contact AHL Investor Relations on ir@ahalife.com.