

Shoply Limited
ASX:SHP

1 May 2014

ASX and Media Release

Execution of Assets Purchase Agreement for Your Home Depot acquisition

Shoply Limited (**Shoply** or the **Company**) is pleased to advise that that a definitive assets purchase agreement (**Agreement**) in relation to Shoply's proposed acquisition of the businesses and assets of Your Home Depot Pty Ltd (**YHD**) has been finalised and executed.

YHD is one of Australia's leading online homewares and home appliances retailers, and offers high-end kitchenware, home wares and electrical appliances nationwide via its online website www.yourhomedepot.com.au. YHD presently retails products from well-known brands including KitchenAid, Scanpan, Magimix, Bamix, Anolon, Simple Human, LED Lenser and Royal Doulton. YHD's e-commerce business is supported by a warehouse facility located in Castle Hill, approximately 24km north-west of Sydney's CBD. In FY13, YHD generated an EBITDA of \$1.0 million on revenue of \$12.9 million.

Under the Agreement, Shoply, through its wholly owned subsidiary AER Group Pty Ltd (**AER**), will acquire the business and assets of YHD for a total purchase price of \$2.85M, which includes stock on hand valued at \$1.5M. Shoply will fund the payment of the purchase price with capital raised from the Company's recent renounceable rights issue and placement of shares.

The completion of the acquisition under the Agreement is subject to a number of standard conditions precedent, including a condition that AER obtains, prior to settlement, a transfer of YHD's existing lease of its warehouse facility in Castle Hill. The parties will use their best endeavours to progress settlement of the acquisition as soon as is reasonably practicable once a transfer of the lease is obtained, and the Board will keep shareholders informed of developments as they occur.

The Board considers that the acquisition of YHD's business will broaden and deepen Shoply's current product offering through its existing computer and electronic product online stores, Eljo.com.au, EzyDirect.com.au and Ohki.com.au, and will enable the Company to leverage and derive synergies with the recently acquired HomeAppliances.com.au domain name.

The Company is now positioned to grow and develop the Shoply business and intends to continue exploring opportunities to expand its operations through acquisitions of complementary online shopping businesses.

-ENDS

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About Shoply Limited

Shoply is an Online Shopping and Online Advertising business focusing on the retail sale of consumer goods and distribution of advertising to publishers and publisher networks.

<http://www.shoply.com.au>

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