

Shoply Limited

ASX:SHP

4 February 2014

## ASX and Media Release

### Entry into Two New Online Retail Categories via Acquisition of Premium Domain Names

- **Shoply to enter into two new online retail categories and expand existing position in another.**
- **Acquisition of three premium domain names for attractive online shopping categories - Toys, Sporting Goods and Home Appliances.**
- **Commencement of organic growth strategy leveraging Shoply's existing online shopping platform.**

Shoply Limited (**Shoply** or the **Company**) is pleased to announce the acquisition of three premium domain names:

1. ToyStore.com.au;
2. SportingGoods.com.au; and
3. HomeAppliances.com.au.

The domain names will be used to develop new online stores in the toy and sporting goods retail categories and to extend the Company's position in the home appliances market.

The ToyStore.com.au and SportingGoods.com.au domains provide the ability for Shoply to launch new online shopping stores in the toy and sporting goods markets worth \$1.6bn or 11.7% of the \$12.4bn online shopping market in Australia according to IBISWorld<sup>1</sup>.

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<sup>1</sup> IBISWorld Online Shopping in Australia October 2013

HomeAppliances.com.au will present the aggregation of all home appliances items available on Ohki.com.au and Eljo.com.au along with additional products from a range of new supplier brands.

The creation and management of the online stores will have minimal cost impact on the Company due to its recent investment in building a scalable online shopping platform that has the capability and flexibility to have newly launched or acquired businesses added quickly and cost effectively. The online stores will be progressively launched during the June 2014 quarter and are expected to increase organic growth within the Company. As part of the organic growth strategy, the Company will continue seeking to acquire quality marketable domain names.

The cash consideration for the domain names was under \$20,000.

Shoply CEO Simon Crean said, "The purchase of these three premium domain names represents the initiation of our organic growth strategy which will complement our acquisitive growth strategy very well. The investment made in the first half of FY2014 building our scalable platform provides Shoply the ability to create and integrate new online stores quickly and efficiently. We also have a growing supplier network which will enable us to provide customers with an impressive product range across three of the largest and fastest growing online shopping categories.

Today marks an important milestone in the Company's evolution as we expand into two new categories and begin to implement our dual-faceted growth strategy."

Once launched, Shoply will have a position in the following online market segments as categorised and sized by IBISWorld:

- 1. Homewares and Domestic Appliances**

The Homewares and Domestic Appliances segment accounts for 18.3% of Australian online shopping revenue or \$2.6bn; this segment includes domestic appliances such as fridges, washing machines, blenders, coffee machines, food processors, toasters and kettles.

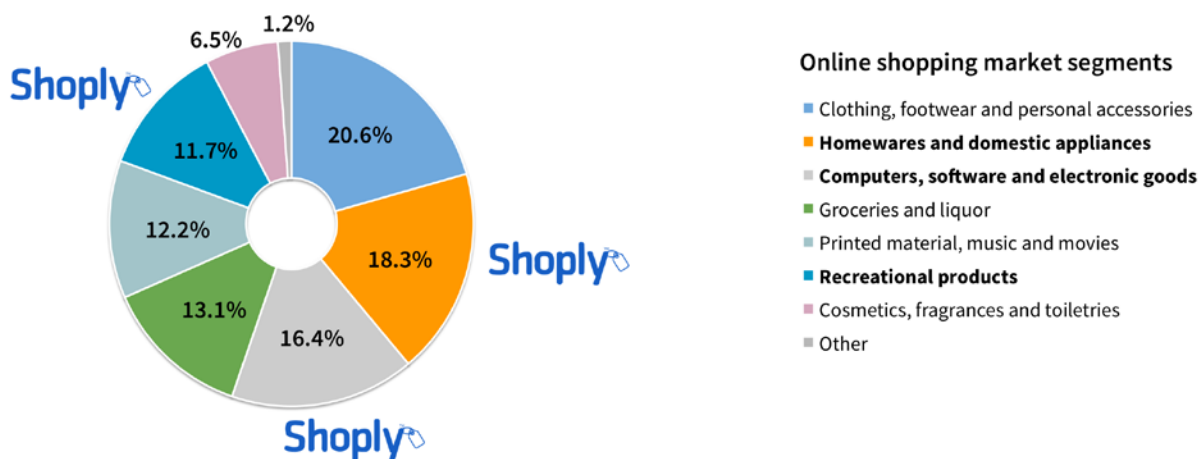
- 2. Computers, Software and Electronic Goods**

The Computers, Software and Electronic Goods segment accounts for 16.4% of Australian online shopping revenue or \$2.0b, and includes computer hardware, software, and electronic goods such as TVs and DVD players.

### 3. Recreational Products

The Recreational Products segment accounts for 11.7% of Australian online shopping revenue or \$12.4bn, and includes toys, games, sporting equipment and hobby items.

#### Breakdown of the market segments comprising the \$12.4bn online shopping market



Total \$12.4bn Australian online shopping market  
IBISWorld Online Shopping in Australia October 2013

The Company remains committed to the increased focus on its Online Shopping Division through investing funds into creating and acquiring new revenue streams. A number of acquisition opportunities are continuing to be assessed and the Company anticipates being able to conclude at least one of these in the current quarter.

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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>