

ASX Announcement

27 August 2019

AppsVillage commences trading on the ASX Following a significantly oversubscribed IPO

Guy Ruck, Vertical Manager at Facebook Israel commented: "AppsVillage is the type of growth company Facebook is looking to partner with. AppsVillage provides SMBs the ability to reach more customers and create a stronger connection with their existing customers, with a simple solution"

- AppsVillage lists on the ASX following an oversubscribed IPO, raising \$5 million
- Strong support received from institutional, high net worth and sophisticated investors adding over 400 shareholders to the register
- APV provides a SaaS solution allowing SMBs to grow their business by creating their own branded mobile application using their Facebook page
- APV boasts a strong partnership with Facebook with significant expansion potential
- Revenues in excess of \$750,000 generated for 2018 and \$631,000 in H1 2019
- Huge market of over 500 million SMB's globally providing a strong platform to scale operations, sales and revenue

AppsVillage Australia Ltd (ASX: APV) (AppsVillage or the Company), a revenue generating SaaS solution providing small-to-medium businesses (SMBs) an inexpensive and simple way to build and manage their own branded mobile app, is pleased to announce it has today commenced trading on the Australian Securities Exchange (ASX), following an oversubscribed Initial Public Offer (IPO).

The Company raised \$5 million before costs, issuing 25,000,000 fully paid ordinary shares at \$0.20 per share, to give the company a market capitalisation of approximately \$13.3 million.

Led by RM Corporate Finance who also act as Corporate Adviser to the Company, the raise was oversubscribed with offers scaled back and was supported by a broad base of institutional, high net worth sophisticated investors as well as retail investors, adding over 400 new shareholders to the register.

Funds raised from the IPO, together with existing cash reserves, will be used to further develop the AppsVillage offering and build on existing sales, marketing and other initiatives to expedite revenue growth and customer acquisition rates.

APV's revenues are generated on a (SaaS) subscription-based model charged at US\$19.99 per month on a month-to-month subscription or US\$14.99 per month billed annually. The Company also generates revenues via commission from in-app purchases (5%-10%) and from in-app Facebook advertising spend (20%-40%).

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Growth Strategy

With a global presence and customers in over 150 countries, AppsVillage's growth strategy is to become a world leading SMB solutions provider supporting the growth of small businesses. During 2019 alone, it accumulated over 2000 SMB subscribers and facilitated the creation of applications for almost 4,000 SMBs in total.

Following its IPO, APV will continue to focus on targeting the 35 million SMBs in Australia, USA, Canada and the UK, and intends to use the funds raised under the offer to increase its activities and dramatically scale its sales and revenue generation.

H1 Financial update

Despite the natural focus on the listing process, operational performance has remained strong and the Company has delivered increased revenues of \$631,000 for H1, representing a significant milestone for the Company.

As a result of strong performance and a growing pipeline generated during H1, the Company expects to deliver strong revenue growth in 2019.

Max Bluvband, Founder and CEO of AppsVillage comments:

"Listing on the ASX marks a landmark for AppsVillage's growth and provides an excellent platform for us to expand our presence in Australia."

"For a young company we have had a very strong start and have delivered exceptional growth and revenue generation. We have big plans for expansion over the coming months and year to continue on the same trajectory and grow into a world leading SMB solutions provider."

Guy Ruck, Vertical Manager at Facebook Israel commented:

"The relationship between Facebook and AppsVillage will continue to strengthen as AppsVillage aligns with our objective to help SMBs benefit from Facebook's advertising capabilities."

"We congratulate AppsVillage on the completion of its listing and look forward to working together in a fruitful and mutually beneficial way going forward."

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About AppsVillage Australia Limited

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AppsVillage provides a leading SAAS solution that allows small-to-medium businesses to build, launch and manage their own mobile application and grow their business.

AppsVillage's technology has automated the design, development, maintenance and marketing of mobile apps for SMB's, allowing any business to build, preview and launch their own application without having any code writing or digital marketing knowledge.

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