



28 July 2020

AppsVillage raises \$2.14 million

Successful completion of the placement enables further support of marketing and growth as well as continued development of the AppsVillage platform

Max Bluvband, Founder and CEO comments:

"We are very pleased with the support shown by both domestic and international institutions and private investors as we continue to enhance the AppsVillage global reach and platform. We remain focused on providing SMBs with the tools necessary to build their digital capabilities and presence in simple and cost effective ways."

AppsVillage Australia Ltd (ASX: APV) (AppsVillage or the Company), a SaaS solutions provider for small and medium businesses, today announces it has successfully completed a placement to institutional and private investors raising \$2.14 million (the "**Placement**"). Gleneagle Securities acted as Lead Manager to the Placement.

The Company raised \$2.14 million before costs, at an issue price of 11.2c per share and will issue 19,164,688 new fully paid ordinary shares. The issue price of 11.2c represents a discount of ~24% to the last traded price of AppsVillage prior to the Company's application for a trading halt.

The Company has issued the new shares utilising its existing placement capacity under Listing Rule 7.1 and 7.1A.

In conjunction with the Placement, the Company is pleased to announce that it intends to raise up to a further \$2 million via an offer to eligible shareholders of new fully paid ordinary shares (**SPP Shares**) in the Company under a share purchase plan (**SPP**) at an issue price of 11.2c per SPP Share to increase their holding by up to \$30,000. The SPP will not be underwritten. The SPP will be conducted pursuant to ASX Listing Rule 7.2 (Exception 5).

Use of funds

AppsVillage will use proceeds from the Placement and SPP to continue to develop and enhance its platform supporting the digital presence of SMBs along with general working capital requirements. The Company remains focused on improving the key areas of advertising and financing as part of its platform offering. The recent launch of JARVIS (refer ASX release 18 June 2020), an artificially intelligent (AI) marketing manager for Facebook advertising and promotional campaigns, along with the Company's microfinance offering through partnerships in the United States and Australia, are seen as key drivers for the Company on its path to profitability.

The Company's long-term growth strategy is focused on delivering profitable customer growth. This is being executed by continuously expanding and improving the capabilities of our technology, which will deliver better results for customers, leading to a significantly improved customer ROI.

SPP Details

The SPP will provide the opportunity for eligible shareholders (being those holders of fully paid ordinary shares with an address on the Company's register of shareholders in Australia and New Zealand as at the Record Date of 7.00pm (AEST), Monday, 27 July 2020) to subscribe for up to \$30,000 worth of SPP Shares without incurring brokerage or other transaction costs. The SPP will be capped at \$2 million.

The issue price will be 11.2c per SPP Share, which represents a ~24% to the last traded price of AppsVillage prior to the Company's application for a trading halt.

Those eligible shareholders wishing to apply for SPP Shares are encouraged to read the SPP Offer Booklet, which will be mailed to them on or around 3 August 2020. Full details of the SPP will be contained in the SPP Offer Booklet.

The Company will accept applications from eligible shareholders under the SPP up to \$2 million, subject to limitations under the ASX Listing Rules and Corporations Act. The Directors will scale-back acceptances on a pro-rata basis. The offers under the SPP are non-renounceable and non-transferable and, therefore, eligible shareholders cannot transfer their right to purchase SPP Shares to a third party.

Shares issued under the Placement and SPP will rank equally in all respects with the existing fully paid ordinary shares in the Company.

Key Dates

An indicative timetable is provided below. The SPP is currently scheduled to close on 19 August 2020, however the timetable is subject to change and therefore shareholders are encouraged to lodge their applications ahead of the advertised closing date.

| Event | Date* |
|-----------------------------------|-------------------------------------|
| SPP Record Date | 7.00pm (AEST), Monday, 27 July 2020 |
| Announcement of Placement and SPP | Tuesday, 28 July 2020 |
| Allotment of Placement shares | Friday, 31 July 2020 |
| Dispatch of SPP Offer Booklet | Monday, 3 August 2020 |
| SPP Opening Date | Monday, 3 August 2020 |
| SPP Closing Date | Wednesday, 19 August 2020 |
| Announcement of SPP Results | Monday, 24 August 2020 |
| Allotment of SPP Shares | Friday, 28 August 2020 |

*Please note, the dates set out above are indicative only and are subject to change without notice. Any change in the timetable does not affect any rights or obligations you have as a result of accepting the SPP.

-Ends-

This announcement has been approved and authorised for release by Max Bluvband, AppsVillage CEO

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About AppsVillage Australia Limited

AppsVillage provides an easy and inexpensive SAAS solution that allows small-to-medium businesses to create and manage their own mobile application as a means of connecting with their customers and growing their business.

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