



25 August 2016

## **migme Half-Year Report** **Revenue increases 393%, Monthly Active Users grow by 34%**

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- Revenue of \$15 million, up 393% on the previous corresponding period;
  - Monthly Active Users grow during the 6 months by 34% to over 43 million<sup>1</sup>, advancing in key markets of Indonesia, India and Philippines;
  - Artist and verified user numbers increased during the 6 months to approximately 2,900, representing a growth of 368%; and
  - Integration of ecommerce onto the platform via Shopdeca acquisition and migShop.
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migme Limited ("migme" or the "Company") is pleased to report its half-year results for the six months ended 30 June 2016. During the period, revenue increased to \$14.92 million, up 393% on the previous corresponding period (PCP) and Monthly Active Users (MAU) grew during the period by 34% to over 43 million<sup>1</sup>.

The Company remains focussed on advancing its business strategies in its key markets of Indonesia, India and the Philippines.

Over the past six months, migme has made substantial progress in growing its key operating metrics, as well as improving its user experience to increase user engagement.

The Company has achieved a number of significant milestones during the half-year, which include:

- Artist and verified user numbers increasing to approximately 2,900, representing a growth of 368% from the PCP;
- Ecommerce being integrated onto the migme platform via the acquisition of Indonesian ecommerce business Shopdeca and subsequently through the launch of migShop;
- Launch of the 'Funkey', which allows for the integration of other applications and games within the migme experience; and
- One of the world's leading photo app developers, Meitu Investment Limited, becomes a substantial shareholder.

As stated in the audited Half-Year Report, the Company's key financial results for the six months ended 30 June 2016 are:

- Revenue of \$14.92 million, up 393% on the PCP;
- Net loss of \$13.62 million, up 55% on the PCP; and
- Cash balance as at 30 June 2016 of \$4.66 million (31 December 2015: \$8.66 million).

The Company continues to focus on building its user base and increasing user engagement in order to grow revenue, improve operating margins and increase shareholder value.

migme co-founder and CEO, Steven Goh, said: "In the next six months we intend to continue to grow headline MAU numbers and revenue, whilst deepening our engagement with users. At the same time, we will continue to focus on reducing operating cash outflows and improving operating margins. Subject to market and business conditions, the Company is working towards achieving cash flow positive operations by early 2017."

"LINE's recent IPO on the Tokyo and New York stock exchanges provides proof that our business strategy works in the region and migme is trying to build a company of comparable stature. With our recently completed \$10 million capital raise – with support from strategic shareholders including Meitu, FIH Mobile Limited (FoxConn), PT Media Nusantara Tbk (MNC) and Malcolm Steinberg (proprietor of the



LAI Group) – we believe we have the right investors, management team and strategic partners to build a social entertainment business that’s right for our target markets.”

For further information regarding migme’s half-year results, please refer to the Company’s Half-Year Report of today’s date.

<sup>1</sup> Consistent with industry practice, Monthly Active Users (MAU) are independently provided by Google Analytics and are a consolidation of the Company’s traffic from web, mobile web, feature phones, Android and iPhone client usage for migme, LoveByte, alivenotdead, Sold Shopdeca and Hipwee.

### **Media Contact and Investor Relations**

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### **About migme Limited**

migme Limited (ASX: MIG | WKN: A117AB) is a global digital media company focused on emerging markets. Social entertainment services are delivered through mobile apps migme and LoveByte, artist management website alivenotdead, social news site Hipwee and ecommerce services Sold and Shopdeca. The Company is listed and registered in Australia. Headquarters are in Singapore with offices in Malaysia, Indonesia, Taiwan and Hong Kong. For more information, please visit <http://company.mig.me>

This announcement is for informational purposes only and is neither an offer to sell nor an offer to buy any securities, or a recommendation as to whether investors should buy or sell.

### **Special Note on Forward-Looking Statements**

This announcement contains information that may constitute forward-looking statements and uses forward-looking terminology such as “anticipate”, “propose”, “expect”, “will” and negatives of such terms or other similar statements. You should not place undue reliance on any forward-looking statement due to its inherent risk and uncertainties, both general and specific. Although we believe the assumptions on which the forward-looking statements are based are reasonable and within the bounds of our knowledge of our business and operations as of the date hereof, any or all of those assumptions could prove to be inaccurate. Risk factors that could contribute to such differences include, performance of our shares, the performance of global capital markets and companies in our sector, as well as factors relating to the performance of our business, including intense competition we face; failure to innovate and provide products and services that are useful to users; our ongoing need for capital for investment in new and existing business strategies and new products, services and technologies, including through acquisitions; the potential for declines in our revenue growth rate and downward pressure on our operating margin in the future; increased regulatory scrutiny that may negatively impact our business; legal proceedings that may result in adverse outcomes; failure to maintain and enhance our brand; uncertainty as to our ability to protect and enforce our intellectual property rights; and uncertainty as to our ability to attract and retain qualified executives and personnel. The forward-looking information provided herein represents the Company’s estimates as of the date of the announcement and subsequent events and developments may cause the Company’s estimates to change. The Company specifically disclaims any obligation to update the forward-looking information in the future. Therefore, this forward-looking information should not be relied upon as representing the Company’s estimates of its future intentions as of any date subsequent to the date of this announcement. Our plans may differ materially from information contained in the forward-looking statements as a result of these risk factors or others, as well as changes in plans from our board of Directors and management.