



Press release from AppSpotr AB  
Gothenburg May 29 2017

## **AppSpotr signs deal to go after the Asian market**

**AppSpotr AB have entered into a cooperation agreement with the Hong Kong based investment company Novel Unicorn Ltd (“Novel Unicorn”) regarding the Asian market. If all milestones within the agreement are reached Novel Unicorn becomes AppSpotr’s new main owner and AppSpotr gains a strong position in the Asian market. To finance this venture AppSpotr will issue 15 MSEK worth of new shares, 5 MSEK of which will be directed to Novel Unicorn.**

### **Deal structure**

The cooperation agreement entails that AppSpotr and Novel Unicorn will form a Hong Kong based joint venture company named AppSpotr Asia, of which Novel Unicorn will initially own 70 percent and AppSpotr 30 percent. AppSpotr will provide AppSpotr Asia with 5 MSEK in equity financing while Novel Unicorn will be responsible for the daily operations which is to build a market position in Asia.

As milestones are reached AppSpotr’s ownership in AppSpotr Asia will increase as Novel Unicorn free of charge transfers shares in AppSpotr Asia to AppSpotr. Novel Unicorn will at the same time receive warrants redeemable for shares in AppSpotr at a price of 0.20 SEK. Novel Unicorn will thus receive shares in AppSpotr in exchange for building AppSpotr’s market position in Asia.

If all milestones are reached AppSpotr Asia will be a wholly owned subsidiary of AppSpotr and Novel Unicorn will receive warrants corresponding to 27.55 percent of the share capital at the time of the issue of warrants. Novel Unicorn will thereby become the new main owner with a total ownership share of 27.55 % plus the share that the directed share issue corresponds to.

As long as AppSpotr Asia is part-owned, revenues and cashflow will be handled in the usual manner for jointly-owned companies. When AppSpotr Asia is a wholly owned subsidiary, the money in the company is freely available to AppSpotr.

The deal with Novel Unicorn encompasses the following countries: Vietnam, Laos, Cambodia, Thailand, Myanmar, Malaysia, Singapore, Indonesia, Brunei, Philippines, Timor-Leste, Nepal, Bhutan, India, Pakistan, Bangladesh, Sri Lanka, Maldives, Japan, South Korea, Mongolia, Taiwan and China.

### **Fixed price model**

The agreement with Novel Unicorn is based on a different pricing and marketing model than AppSpotr originally used. The subscriptions will have a fixed price of 3 600 SEK per annum and the marketing and sales will be done indirectly via partners that offers AppSpotr’s platform to their corporate clients.



### **The milestones**

The overall aim is for AppSpotr Asia to within 24 months sign deals with important partners and sell 100 000 subscriptions at a price of 3 600 SEK per annum, which corresponds to a running annual income of 360 MSEK. Only full paid in 12 month subscriptions will be counted towards the sales targets.

The first two milestones are to sign deals with important partners and thus entails no revenues. The last three milestones will be based on sales targets.

### **Capitalization of AppSpotr**

To finance the venture this deal entails AppSpotr will be issuing 15 MSEK worth of shares, 5 MSEK of which will be a directed issue to Novel Unicorn and 10 MSEK a rights issue to existing shareholders and the public. The subscription rate in both issues will according to the board's proposal be 6.50 SEK.

The capital from the issues will first and foremost be used to recruit new staff, make technical adaptations to the AppSpotr platform and add language support for the Chinese market as well as establish local hosting and add more payment solutions.

The AppSpotr board intends to call an extraordinary general meeting in the coming week due to the agreement and the above share issues. The company will thereby provide full resolution proposals including terms of the issues. In addition to the share issues and the mandate for issuing warrants, the agreement itself will be voted upon at the meeting.

### **Conditions**

To enter into force, the agreement and all related share issues and mandates must be approved by the extraordinary general meeting.

### **Comment from Patric Bottne, CEO of AppSpotr AB:**

"There is today an enormous interest among established telecoms and payment solutions providers to build new volume businesses in addition to their traditional business. One such business with potential is to offer business-critical apps to corporate clients that under their own brand takes them to market with features that creates value for both employees and customers.

Together with Novel Unicorn we have seen that interest for this kind of business among telecoms is very big in all of Asia and together we now want to explore this opportunity. We are convinced that it is possible to create a very large business for AppSpotr in this region. Novel Unicorn has the experience and business network and we have the product.

China alone is home to some of the world's largest telecoms and payment solution providers. If we can manage to get volume businesses going with that kind of players, AppSpotr automatically



becomes the world's leading app development platform. To take advantage of this opportunity, and to ensure that we generate results quickly and efficiently, we start a joint company in the region."

**Comment from Dave Q. Wu, Managing Partner Novel Unicorn Ltd.:**

"China and Asia Pacific are the regions where app culture is increasingly popular in both the consumer and business sector, and thus we believe AppSpotr's offering to be ideally suited to meet a huge market demand while the company has potential to grow significantly in this market. We look forward to our cooperation with AppSpotr and will contribute to building a solid foundation for growth and thereby capitalize on this tremendous market opportunity. Together with the AppSpotr we aim to build long term sustainable shareholder value."

*This information is information that AppSpotr AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication at on May 29 2017.*

**About AppSpotr AB**

AppSpotr democratizes app development worldwide with a platform that lets anyone build native iOS and Android apps without any programming skills. The user easily selects the functionality it needs, customizes the design and content, and then publishes the finished app to App Store and Google Play. AppSpotr have nine employees and is based in Gothenburg, Sweden.

**About Novel Unicorn Ltd.**

Novel Unicorn is an investment & management company in China and Asia Pacific region. The company's investments focus on high-growth sectors within the regions, which cover TMT, mobile Internet, consumer products and retail & distributions, while its investment philosophy is to create and realize its investment value through a range of fairly active holding and asset management practices within a mid/long-term time frame. Novel Unicorn was founded in 2010, and is currently based in Hong Kong, with additional offices in Shanghai and Beijing, China.