

**ASX ANNOUNCEMENT AND MEDIA RELEASE**

**ASX CODE: [MBO](#)**

Date: 30 April 2015

## Mobilarm continues its record year

- **Record order performance of \$6.3M for the first nine months.**
- **Revenues of \$5.1M and receipts from customers of \$5.3M for the first nine months.**

Global marine safety equipment provider Mobilarm Limited (ASX: MBO) today reported orders for the first nine months reached \$6,332,275, along with revenues of \$5,107,456 and receipts from customers of \$5,263,756.

The order total represents an **11%** increase compared to the same period last year, while revenues increased by **12%**. The Company's receipts from customers for the nine-month period ended 31 March 2015 of \$5,263,756, a **32%** increase over the same period last year.

Mobilarm Chief Executive Officer Ken Gaunt commented: "We continue our growth path this year. We completed a convertible note financing that will allow us to accelerate our rental program deployment and streamline operations further. For this reason the Group continues to invest heavily in stock inventory, so to be able to respond to already identified market opportunities in a timely manner. This also helps maintain the 'first mover' market advantage the Company currently enjoys. We are expanding our global service capabilities to secure long term customer satisfaction and growth in key markets."

Mobilarm Chief Financial Officer Jorge Nigaglioni commented: "We have positioned the business to close out the year stronger than ever before. We are seeing opportunities in new markets as we expand our portfolio of solutions and our reach into key geographies and markets. Our non-rental operating cash flows are positive but they are offset by our rental inventory purchases. This near term outflow will pay off in longer term cash inflows as evidenced by our three million dollar rental order book."

Our results for the quarter and our ongoing rental results are outlined in the following table:

|  | Orders Received<br>in Prior Periods,<br>not shipped nor<br>amortised. | Orders booked<br>during the period<br>to date | Orders shipped<br>during the period<br>to date | Portion of Rental<br>or Service Order<br>amortised<br>(Brought to<br>account) during<br>the period to date | Foreign Exchange<br>Impact | Ending Order Book<br>at Period End |
|--|---|---|--|--|----------------------------|------------------------------------|
| Outright Purchases                                       | \$87,182  | \$3,708,384                                   | (\$3,946,940)                                  |  | 268,246                    | \$116,872                          |
| Rentals  | \$1,503,483   | \$2,017,734                                   |  | (\$566,871)  |                            | \$2,954,346                        |
| Service Orders   | \$98,919  | \$606,157                                     |  | (\$593,645)  |                            | \$111,431                          |
| <b>Total</b>   | <b>\$1,515,220</b>  | <b>\$6,332,275</b>                            | <b>(\$3,946,940)</b>                           | <b>(\$1,160,516)</b>   |                            | <b>\$3,182,649</b>                 |
| Revenue recognised for the<br>period to date (unaudited) |   |   | (\$3,946,940)                                  | (\$1,160,516)  |                            | <b>\$5,107,456</b>                 |
| Cash Receipt for the year                                |   |   |  |  |                            | <b>\$5,263,756</b>                 |

-Ends-



**Further details**

Ken Gaunt

**Chief Executive Officer**

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***Mobilarm Limited (ASX: MBO)** and its 100% owned subsidiary MRT (UK) is involved in the development, manufacturing and sale of a Man Overboard Safety Systems provided to the offshore oil & gas industries, commercial marine industries, defence, and government & regulatory agencies internationally. MBO currently operates in the UK, Australia, Nigeria and USA.*

# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001

|                  |
|------------------|
| Name of entity   |
| Mobilarm Limited |

|                |                                   |
|----------------|-----------------------------------|
| ABN            | Quarter ended ("current quarter") |
| 15 106 513 580 | 31 March 2015                     |

### Consolidated statement of cash flows

| Cash flows related to operating activities                | Current quarter<br>\$ | Year to Date (9 Months)<br>\$ |
|---|-----------------------|-------------------------------|
| 1.1 Receipts from customers                               | 1,979,265             | 5,263,756                     |
| 1.2 Payments for (a) staff costs                          | (585,874)             | (1,836,357)                   |
| (b) advertising & marketing                               | (19,015)              | (58,141)                      |
| (c) research & development                                | (138,100)             | (240,955)                     |
| (d) leased assets   | -                     | -                             |
| (e) Other working capital                                 | (518,230)             | (1,920,295)                   |
| 1.3 Dividends received                                    | -                     | -                             |
| 1.4 Interest and other items of a similar nature received | 5,672                 | 7,822                         |
| 1.5 Interest and other costs of finance paid              | (581)                 | (3,544)                       |
| 1.6 Income taxes (paid)/received                          | -                     | 320,917                       |
| 1.7 Rental recoveries                                     | -                     | -                             |
| 1.7 Purchases of inventory                                | (908,833)             | (2,417,999)                   |
| <b>Net operating cash flows</b>                           | <b>(185,696)</b>      | <b>(884,796)</b>              |

+ See chapter 19 for defined terms.

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

|      |  | <b>Current quarter</b><br>\$ | <b>Year to Date (9 Months)</b><br>\$ |
|------|--|------------------------------|--------------------------------------|
| 1.8  | Net operating cash flows (carried forward)                                       | <b>(185,696)</b>             | <b>(884,796)</b>                     |
| 1.9  | <b>Cash flows related to investing activities</b><br>Payment for acquisition of: |                              |                                      |
|      | (a) Net cash acquired on acquisition( item 5)                                    | -                            | -                                    |
|      | (b) equity investments   | -                            | -                                    |
|      | (c) intellectual property  | -                            | -                                    |
|      | (d) physical non-current assets  | -                            | (30,426)                             |
|      | (e) other non-current assets   | (1,823)                      | (3,141)                              |
| 1.10 | Proceeds from disposal of:   |                              |                                      |
|      | (a) businesses (item 5)  | -                            | -                                    |
|      | (b) equity investments   | -                            | -                                    |
|      | (c) intellectual property  | -                            | -                                    |
|      | (d) physical non-current assets  | -                            | -                                    |
|      | (e) other non-current assets   | -                            | -                                    |
| 1.11 | Loans to other entities  | -                            | -                                    |
| 1.12 | Loans repaid by other entities   | -                            | -                                    |
| 1.13 | Other (provide details if material)  | -                            | -                                    |
|      | <b>Net investing cash flows</b>  | <b>(1,823)</b>               | <b>(33,567)</b>                      |
| 1.14 | <b>Total operating and investing cash flows</b>                                  | <b>(187,519)</b>             | <b>(918,363)</b>                     |
|      | <b>Cash flows related to financing activities</b>                                |                              |                                      |
| 1.15 | Proceeds from issues of shares, options, etc.                                    | -                            | -                                    |
| 1.16 | Proceeds from sale of forfeited shares   | -                            | -                                    |
| 1.17 | Proceeds from borrowings   | 2,642,391                    | 2,782,847                            |
| 1.18 | Repayment of borrowings  | -                            | -                                    |
| 1.19 | Dividends paid   | -                            | -                                    |
| 1.20 | Share issue expenses   | -                            | -                                    |
|      | <b>Net financing cash flows</b>  | <b>2,642,391</b>             | <b>2,782,847</b>                     |
|      | <b>Net increase (decrease) in cash held</b>                                      | <b>2,454,872</b>             | <b>1,864,484</b>                     |
| 1.21 | Cash at beginning of quarter/year to date  | 300,048                      | 890,436                              |
| 1.22 | Exchange rate adjustments to item 1.20   | -                            | -                                    |
| 1.23 | <b>Cash at end of quarter</b>  | <b>2,754,920</b>             | <b>2,754,920</b>                     |

+ See chapter 19 for defined terms.

## **Payments to directors of the entity and associates of the directors**

### **Payments to related entities of the entity and associates of the related entities**

|      |  | Current quarter<br>\$A |
|------|--|------------------------|
| 1.24 | Aggregate amount of payments to the parties included in item 1.2   | (107,968)              |
| 1.25 | Aggregate amount of loans to the parties included in item 1.11   | -                      |
| 1.26 | Explanation necessary for an understanding of the transactions<br>Payments were for salaries and director fees and travel. |                        |

## **Non-cash financing and investing activities**

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

|  |
|--|
|  |
|--|

- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

|     |
|-----|
| Nil |
|-----|

## **Financing facilities available**

*Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).*

|                                 | Amount available<br>\$A | Amount used<br>\$A |
|---------------------------------|-------------------------|--------------------|
| 3.1 Loan facilities             | \$2,971,525             | \$2,971,525        |
| 3.2 Credit standby arrangements | -                       | -                  |

The Company has \$2,000,000 in convertible notes entered into on the 30<sup>th</sup> of January. These carry a 12% interest rate and are convertible at \$0.06 per share. These notes expire on 29<sup>th</sup> July 2016.

The Company also has an additional \$971,525 in convertible debt, convertible that expires on the 7th of March 2015 and carries an interest rate of 6.0%. The note is convertible by the noteholder upon giving the Company thirty days notice at the lower of \$0.04 per share or the price of any new Entitlements Issue. The note can be converted by the Company at the expiration date at a price that equals 80% of the trailing 30 day VWAP at the time of expiry.

+ See chapter 19 for defined terms.

## Reconciliation of cash

| Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows. |                              | Current quarter<br>\$A | Previous quarter<br>\$A |
|---|------------------------------|------------------------|-------------------------|
| 4.1   | Cash on hand and at bank     | 2,754,920              | 251,831                 |
| 4.2   | Deposits at call             | -                      | -                       |
| 4.3   | Bank overdraft               | -                      | -                       |
| 4.4   | Deposits securing guarantees | -                      | 48,217                  |
| <b>Total: cash at end of quarter</b> (item 1.22)  |                              | <b>2,754,920</b>       | <b>300,048</b>          |


## Acquisitions and disposals of business entities

|     | Acquisitions<br>(Item 1.9(a))             | Disposals<br>(Item 1.10(a)) |
|-----|---|-----------------------------|
| 5.1 | Name of entity                            | Nil                         |
| 5.2 | Place of incorporation or registration    |                             |
| 5.3 | Consideration for acquisition or disposal |                             |
| 5.4 | Total net assets                          |                             |
| 5.5 | Nature of business                        |                             |

## Compliance statement

- 1 This statement has been prepared under accounting policies, which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Director

Date: 30 April 2015

Print name: Jorge Nigaglioni

## Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
  - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
  - 9.2 - itemised disclosure relating to acquisitions
  - 9.4 - itemised disclosure relating to disposals
  - 12.1(a) - policy for classification of cash items
  - 12.3 - disclosure of restrictions on use of cash
  - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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