mobile embrace

Annual Report 2015

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ABOUT MOBILE EMBRACE

About Mobile Embrace Limited

Mobile Embrace Limited (ASX: MBE) is a mobile marketing and payments m-commerce company. Through our integrated and award winning mobile marketing and payments infrastructure we enable the reach, engagement, transactions with and embracement of consumers via mobiles and tablets at scale.

mobile embrace

REACH
Media Trading Desk
Customer Analytics Platform
Premium Audience Targeting

ENGAGE
Customer Acquisition Apps
Rich Media & Gamification
Lead Generation Networks

TRANSACT
Agnostic Mobile Payments
Direct Carrier Billing
Credit Card, Paypal

EMBRACE
Product & Customer Platform
Customer Lifetime Value Platform (CLV)

51%

Time spent on mobile media

Significantly higher than 12% in 2010 and desktop at 42%

The growing mobile market

The mobile landscape is experiencing exponential growth and is evolving rapidly. The shift to mobile is here. Across different verticals and disciplines, mobile is changing the traditional ways we once used to discover, try and buy.

Mobile Technology has evolved at a considerable rate: when smartphones first entered the market, they were considered a highly expensive option but now smartphone penetration is at an all-time high with 85% of Australians owning a smartphone by mid-2015.[1] This has been accompanied by a societal shift in how consumers en masse now deeply interact with their mobiles and expect to be able to do so. The biggest challenge facing businesses is how to reach, engage and monetize these mobile consumers. It is complicated. Mobile Embrace, through continued innovation of its mobile marketing and payments infrastructure, meets this challenge.

Who we are

Collectively, the leadership and management team at Mobile Embrace has over 70 years of experience in the mobile industry. Their wealth of knowledge in the space has indeed been a key element to the business' continual success. The core team has understood, from the beginning, the need for agility in a rapidly evolving industry, along with the willingness to pivot the business when necessary, which have both enabled Mobile Embrace to keep abreast of its competitors while serving the requirements of its clients and partners.

Along with each member of staff, Mobile Embrace's CEO and Managing Director ensure the business is forever adapting, evolving and embracing the rapidly changing mobile landscape. Our increasing performance is due to the strength and scalability of our infrastructure, the years of expertise we have built and our determination to succeed in the dynamic and rapidly growing mobile marketing and payments space.

The Company's Corporate Governance Statement is available on the Company's website at
http://cdn.mobileembrace.com/uploads/mobileembrace.com/docs/mbe-corporate-governance-2014.pdf

> "Mobile Embrace has been specialising in mobile since the launch of the first feature phone"

1. http://www.budde.com.au/Research/Australia-Mobile-Communications-Smartphones-Tablets-and-Handset-Market.html

LETTER FROM THE CHAIRMAN

Dear Shareholders,

The board of Mobile Embrace is pleased to announce a stellar year. In this year's annual report, we will take a thorough look through the highlights and performance of our business. However, I would like to start this letter by thanking my predecessor, and Mobile Embrace Chairman of 12 years, David Haines. During his tenure, David guided the company through a period of substantial growth and cemented its position as a leader in the market. It is an honour to follow in his footsteps and I look forward to guiding the business as we continue to build on our momentum.

Mobile is one of the most rapidly-changing industries in the world and is, ultimately, shaping the future of a wide range of businesses. The mobile world is characterised by innovation and our commitment to this has allowed us to continually reinvent our business, grow organically and acquire the right companies to differentiate MBE, positioning us as a leader in a very dynamic space.

The company's financial and operational performance for 2015 reflects our commitment to innovation. Mobile Embrace has not only exceeded guidance expectations but the company has exceeded market growth as well. The team delivered strong results with a 71% increase in revenue, 62% growth in EBITDA and a 22% increase in net profit. It is pleasing to note that this increase in revenue performance is underpinned by the continued strong contribution from the underlying core businesses.

The company is in a very strong position to continue its growth through a strategy that is proving successful. Thanks to our steady and strategic investments in technology, there are few companies able to match our ability to *reach, engage, transact and embrace* through mobile. In addition, we have acquired the capabilities we need to provide integrated solutions. We are developing a sustainable competitive edge.

As our organic growth continues, we will make value-enhancing acquisitions as the opportunities arise, making further steps towards future growth. We unveiled pioneering new technologies with the acquisition of Vizmond Media, expanded our global presence with the acquisition of Marketing Punch at the start of FY16 and enhanced our customer experience through innovative technology and platforms to increase value for our customers and enhance growth momentum as part of our new strategy.

In support of our continued aggressive acquisition strategy the company secured an AUD $8.68 million debt facility in FY16 with the Commonwealth Bank of Australia on favourable terms. Around half of this was immediately drawn down under the facility to fund the acquisition of Marketing Punch and the balance will be used to fund m-payments international growth. The company is particularly encouraged from the support it has received from the Commonwealth Bank and the confidence the bank has displayed in the company's business model and growth prospects. To secure this facility with such a credible financial institution reflects the maturing of the company and is a strong endorsement of Mobile Embrace's clearly defined strategy and future prospects.

The strong performance and significant progress delivered in 2015 financial year was made possible by the dedication and passion of the staff led by our senior management team. We remain confident and reassured in our strategy. We look to accelerate the progress we have already made in 2015 and with strong organic growth, increasing financial flexibility, and an expanding domestic and international footprint, the company is in excellent shape to do so. Mobile Embrace is well placed to further increase performance and close out this financial year with record annual revenues.

The board would like to thank each and every one of the employees at Mobile Embrace for their continued enthusiasm, perseverance and commitment this year. We are grateful to them for getting us to this point.

We are becoming an instrumental part of the digital transformer community and are providing emerging technology to companies and individuals who are changing their business and lives by adopting next-generation mobile solutions. I hope you, the shareholders, share our excitement about your company's trajectory and the opportunity we have to create something truly fundamental to the future of technology.

So finally, and on behalf of the board, I would like to thank you, the shareholders, for your continual support as we look to build on the achievements and successes of 2015 and drive further growth.

Drew Kelton
Chairman

2015 SNAPSHOT

Mobile Embrace has not only exceeded guidance expectations but the company's growth has exceeded market growth too.

The team delivered strong results with a

71%
increase in revenue

CEO REPORT

Financial year 2015 has been Mobile Embrace's most successful year to date. The company announced record revenue of $33 million for the period, representing an increase of 71% on FY14 ($19.2 million) and also exceeded guidance on EBITDA, which was up 62%.

Revenue of $10.4 million for Q4 FY15 is further testament to the momentum Mobile Embrace is building on, and represents an increase of 103% on the previous corresponding period. This momentum has continued with further record revenue of $12.1 million and $2 million EBITDA in Q1 of FY16.

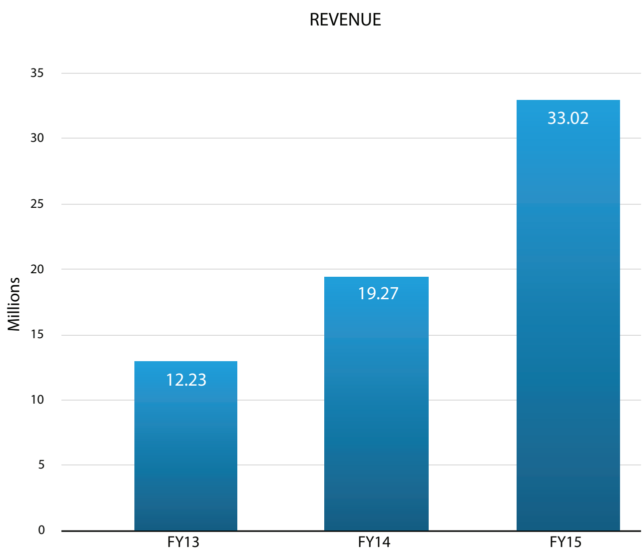
Along with our record financial results we have significantly strengthened the business by enhancing our technology assets, increased our customer base and expanded into new international territories. We are building an incredibly profitable business and feel privileged to work with all our partners and customers.

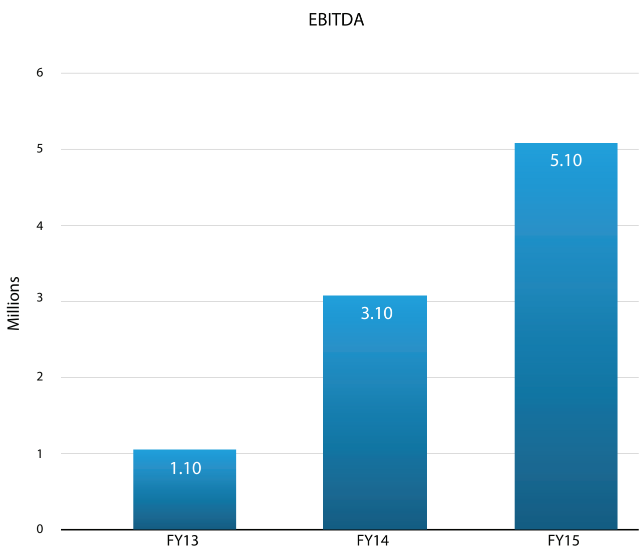
Operating Results

Mobile Embrace has seen a strong financial and operational performance for FY15 with revenue up by 71% from $19.27 million to $33.02 million. EBITDA was up from $3.1 million to $5.1 million, an increase of 62%, and net profit was up by 22%. These figures are extremely pleasing and demonstrate the ongoing evolution and scalability of our business.

As is evident from the table below, revenue growth has been strong. We are immensely proud of this performance and are already demonstrating the continued growth into FY16.

	FY13 $m	FY14 $m	FY15 $m	Variance FY14 to FY15	Annual Growth Rate
Revenue	12.1	19.2	33.0	+ 71%	65%
EBITDA	1.1	3.1	5.1	+ 62%	115%
Underlying EBITDA	N/A	N/A	9.9*	N/A	N/A
NPAT	0.4	2.4	3.0	+ 22%	174%





*underlying EBITDA excludes increased marketing expenditure and additional headcount for overseas expansion.

Cash

The company finished FY15 with strong cash reserves of $9,538,904 (as at 30 June 2015). During FY15 MBE focused on deploying some of its cash for strategic acquisitions in order to further grow our technology assets, expand our reach and enhance specific areas of the business.

In FY16 we have strengthened the company's financial position through forming a relationship with the Commonwealth Bank of Australia. In September 2015, MBE confirmed that it has secured an $8.68 million (£4 million) debt facility with the Commonwealth Bank of Australia on favourable terms in order to maintain the required financial flexibility for further growth.

MBE is encouraged by the support it has received from the Commonwealth Bank and considers this to be a huge vote of the confidence in the company's business model and growth prospects. To secure this facility with such a credible financial institution reflects the maturing of the company and is a strong endorsement of MBE's clearly defined strategy and future prospects.

Strengthening the Core Proposition

Global Expansion

This year provided the foundations for the expansion of Convey in terms of both new territories and product offerings. Our market penetration into Singapore was increased with the addition of our second carrier M1. International expansion continued with our entry into Switzerland (Swisscom) and all carriers in the UK market.

Strategic arrangements with SingTel and Telenor provide a variety of potential new territory opportunities via multiple subsidiaries and affiliates. Customer Service was enhanced with a new call centre and IVR technology was deployed in both our Australian and Philippine call centres. Marketing is now conducted in English, German and French with a variety of Asian languages planned for FY16.

Acquisitions and Investments

Over FY2015, Mobile Embrace made three acquisitions and one instrumental investment further bolstering its proposition and offering.

Advertising works if the right creative message is put in front of the right person at the right time. There are a wide range of ingredients needed to create a successful mobile campaign but put simply, once an ad is delivered in front of the relevant audience, a powerful creative is critical in order to convert those eyes to a sale or an engagement.

With this in mind, Mobile Embrace acquired eggMobi, a highly specialised mobile advertising creative business. eggMobi has grown from strength to strength adding new clients and partner relationships to its existing mobile marketing portfolio, and has further strengthened the creative capabilities of the group, with Mobile Embrace now building mobile ads for global brands such as Telstra, Sony and McDonalds.

The Performance Factory (TPF) acquisition is a strong strategic fit that is highly complementary to Mobile Embrace's overall business. TPF is a leader in online customer acquisition and lead generation delivering qualified customer leads to many companies in the Telco, finance and online education verticals. TPF has significantly increased Mobile Embrace's capabilities and customer base leveraging opportunities across the entire business. The business grew in excess of 150% and now generates over 200,000 quality leads per month.

TPF has enhanced our existing 4th Screen offering to the ad agencies we work with, ensuring we can capture an increasing range of mobile budgets. 4th Screen enjoyed strong growth and is performing well ahead of the overall market. We continue to sell mobile inventory for the biggest mobile franchise in the world (Rovio), the most trusted media brand in the world (BBC) and some of ANZ's most recognizable publishers, such an Met Service NZ, The New Zealand Herald and Bauer Media (Cosmo, Elle, Australian Woman's Weekly). We have run more campaigns than ever before and in this quarter alone have run campaigns for the three biggest brands in the world: Google, Apple and Coke. Our offering to market now uses unique data that allows us to target users based on behavior, gender, location, age and preferences that combine to ensure we serve highly creative ads to people that are relevant and engaging. Our focus on technology, automation and video means we are extremely well placed to continue to grow over the coming months in line with what the market wants. With more spend moving from desktop to digital and more brands embracing mobile, the coming months look very positive indeed.

Vizmond Media joined the group in August 2015 as a profitable and technologically advanced online and mobile performance marketing platform. The Vizmond Media acquisition further improves Mobile Embrace's integrated business model with a game changing performance marketing automation platform that optimises margin with minimal human resource requirement. Both TPF and Marketing Punch (acquired September 2015) are now starting to leverage this technology which will drive further growth and scale.

CEO REPORT (CONTINUED)

In June 2015, Mobile Embrace strengthened its mobile payments offering with an investment in Clipp, the cashless bar tab app. With over 20,000 users and 570 pubs and restaurants connected, Clipp enables customers to seamlessly pay a restaurant bill or bar tab. In addition, the app provides a loyalty and marketing platform for venues to attract and retain customers. It is also fully integrated with the majority of POS systems in Australia enabling mass venue scale. Mobile Embrace is looking to expand and grow this disruptive payments platform – we believe that there is significant value to be unlocked here.

FY15 Highlights

In addition to our financial achievements this year over FY15, Mobile Embrace has had some notable operating highlights that are driving this momentum and providing the foundations for ongoing growth and success.

Some of the key highlights for financial year 2015 are as follows:

- Launched m-payments overseas in Singapore, Switzerland and United Kingdom
- Grew Australian m-payments customer based by 30%
- Opened access to all major telcos (83 million SIM's) in the UK to drive m-payments
- Acquired The Performance Factory to strengthen performance marketing
- Acquired eggMobi to strengthen creative capabilities in mobile advertising
- Acquired Vizmond Media to strengthen technology capabilities in lead-generation and performance marketing
- Invested in bar tab app, Clipp
- Achieved increase in overseas revenue – 11% of total m-payments business and growing
- Strong client retention with more than 70% of m-marketing clients being repeat business

Strategic Priorities

Mobile Embrace is focused on exploiting and growing our leading position into global markets, providing a working environment where our staff can produce their best, while delivering wealth to our shareholders and world class mobile products to our clients and partners.

MBE continues to drive growth from its existing businesses and the companies recently acquired while also continuing to strengthen its capabilities. We will continue to identify synergistic price and accretive acquisition targets through our proven disciplined investment criteria.

Key elements of MBE's competitive advantage are its technology assets. Throughout the year, and indeed into this year, the focus has and will be to further strengthen these technology assets. The world has embraced mobile technology and we will continue to lead the evolution.

Another key focus in FY16 will be to increase scalability through international expansion by leveraging existing models. MBE's overall business is highly scalable, requiring low CAPEX and with significant revenue margin and free cash flow potential.

We enter FY16 on a strong growth trajectory with international markets delivering growing revenues. The company is on track to deliver profit and drive value for shareholders.

Outlook

Mobile Embrace is perfectly positioned to capitalise on the exponential global growth for mobile technology solutions. The company's FY15 performance was strong and FY16 is already breaking financial records. MBE's growth and expansion into new markets coupled with significant new products have substantially grown the customer base enabling the company to scale without dramatically increasing its cost base.

Global market forecasts continue to be strong with mobile internet advertising widely anticipated to overtake newspaper advertising next year, accounting for 12.4% of global ad spend (versus newspapers at 11.9%, according to ZenithOptimedia's new Advertising Expenditure

Forecasts). Mobile internet will soon be the third-largest advertising medium, behind television and desktop internet. Mobile advertising will grow by 38% in 2016 to US$71bn, while newspaper advertising will shrink 4% to US$68bn. eMarketer also expects mobile ad spend to exceed TV advertising – it estimated growth of another 35 percent in 2016 to US$6.67, which would come in just ahead of the projected traditional TV ad spend of US$6.48 billion.

With continued rapid consumer adoption in developed and developing countries, smartphone transactions are projected to account for almost 1 in 4 online sales by 2017, ABI Research reports.

Widespread adoption of smartphones and tablets has intensified the need for a mobile offering across an incredibly wide range of verticals. It is a likely possibility that in 2016 we will see the first generation of "mobile-only" users. While having consumers opting out of desktop and laptop experiences means a lot to the mobile industry, the full potential of mobile has yet to be realised.

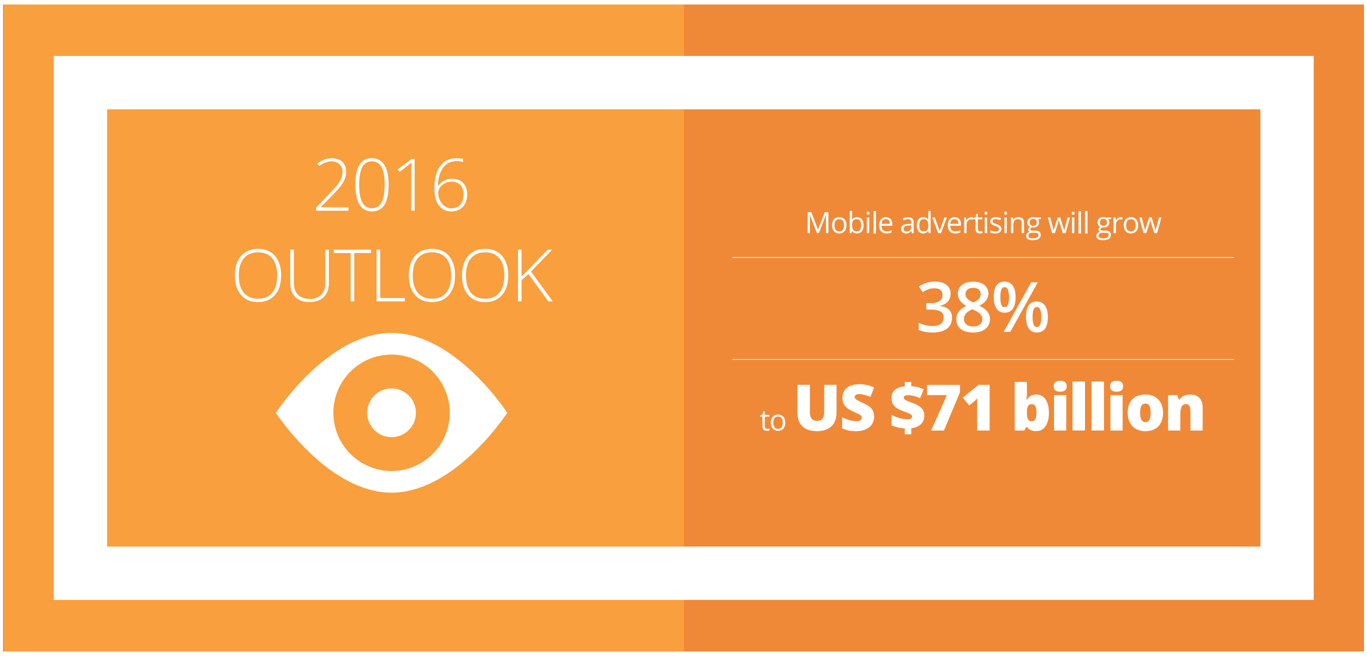
Furthermore, companies are still going through an education process when it comes to the mobile and its technology. MBE is developing into a well-funded global technology growth story linked to the global growth of mobile marketing and mobile payments, which positions the company as the perfect partner for guiding businesses through the dynamic yet convoluted mobile ecosystem.

When I look across our business, the multiple geographies and key solutions, I see tremendous untapped potential. On that note, I would like to thank our staff, the senior management and the board for their drive and determination in all the considerable achievements of the 2015 financial year.

I would also like to thank our shareholders for their ongoing support and belief.

Today, Mobile Embrace is a very different company. We are building a large company which is leading the way, a company with a strong strategic plan and a company whose best is yet to come. We trust that you, our shareholders, are just as excited as we are to see the continued progression, growth and development throughout the next year.

Chris Thorpe
Chief Executive Officer



Directors Report

The directors of Mobile Embrace Limited present their report together with the financial statements of the Group, being the company and its controlled entities, for the year ended 30 June 2015.

The names and particulars of the directors of the company during or since the end of the financial year unless otherwise stated are:

Directors

NAME	PARTICULARS
Drew Kelton Independent Chairman non-executive director	Mr Kelton joined the Board of Mobile Embrace on 1 July 2010. He is currently Vice-president and Managing Director Asia Pacific for Docusign Inc the world's leading provider of digital transaction management (DTM) solutions. Formally he was Vice-president of T-Mobile in the United States and prior to that he was President Enterprise Services at Bharti Airtel, India's largest mobile phone operator and one of Asia's leading integrated telecom service providers and a member of Bharti's management board. Prior to joining Bharti Airtel, Mr Kelton spent eight years as Managing Director of Telstra Corporation's International business unit where he was responsible for driving business growth in Telstra's offshore operations and establishing a multinational customer division to oversee Telstra's biggest global customers. Mr Kelton has over 30 years' experience in telecommunications and IT solutions and has worked in Europe, Australia, Asia and the US. He holds a Bachelor of Science in Electrical and Electronic Engineering (Hons) from Glasgow's Paisley College of Technology. In addition, he is a Chartered Engineer and Member of the Institution of Engineering and Technology.
Interest in Shares and Options	250,000 ordinary shares and 3,000,000 Options
Special Responsibilities	Mr Kelton was appointed Chairman of the Board on the 6 November 2014. Mr Kelton is a member of the Audit committee and the remuneration committee.
Directorships held in other listed entities during the three years prior to the current year	Nil.
David Andrew Haines Independent chairman non-executive director	A director of the company since May 2001. Mr Haines holds a Bachelor of Education degree and was Secretary to the Standing Committee of Commonwealth, State and Territory Ministers with Censorship Responsibilities (1988 to 1994), Deputy Chief Censor, Australian Film Censorship Board (1986 to 1994) and Member of the Australian Film Censorship Board (1981-1994).
Interest in Shares and Options	415,000 ordinary shares and 1,000,000 options.
Special Responsibilities	Mr Haines is a member the audit and nomination and remuneration committees. Mr Haines resigned from Chair of the Audit Committee on the 30 July 2014. Mr Whyte was appointed Chair of the Audit Committee on the 30 July 2014. Mr Haines resigned as Chairman of the Board on 6 November 2014. Mr Kelton was appointed Chairman of the Board on the 6 November 2014.
Directorships held in other listed entities during the three years prior to the current year	Nil

Directors

NAME	**PARTICULARS**
Christopher Thorpe CEO executive director	CEO and director of the company since May 2001, Mr Thorpe provides his expertise in the global mobile and telecommunications industry, with over 18 years experience gained in the United States, Europe and Australia. The combination of this experience with a financial background provides him with a strong understanding of the industry, its issues and trends, enabling the ability to commercialise and deploy successful business strategies. Mr Thorpe has been at the forefront of the mobile entertainment and telecommunications industry leading with a number of key innovations. His work has been acknowledged through the receipt of numerous business awards for these milestone achievements and contributions to the telecommunications industry. As CEO, Mr Thorpe provides leadership, insight, expertise, understanding along with a global network of leading industry associates and contacts. His vision and drive provide the company with opportunities to capitalise on its position as Australia's leading mobile services provider.
Interest in Shares and Options	22,176,639 ordinary shares and 5,500,000 options
Special Responsibilities	Nil.
Directorships held in other listed entities during the three years prior to the current year	Nil.

Gavin Whyte Independent non-executive director	A director of the company since December 2005, Mr Whyte brings a wealth of global experience in the mobile entertainment media industry to the company. Gavin is an Advisor to adQuota International which is a leading mobile ad network in Scandinavia. adQuota are a premium ad network specializing in rich media formats and targeting. In addition to advising the Board, he has been leading the company's M&A activities in Europe. He is the Founder of Rubberduck Consulting which is a new media consulting firm specializing in mobile gaming, marketing and entertainment services. Gavin was the Co-Founder and CEO of Touch Mobile Limited. Touch was a mobile start-up specialising in skill gaming, lottery games and mobile marketing. Touch was sold in April 2011 to a fast growing mobile operator. He was previously Chief Operating Officer of NetPlay TV plc. NetPlayTV is the UK's largest interactive TV gaming company, which includes brands such as SuperCasino.com, ChallengeJackpot.com, Play Monday and Big Box Bingo. Prior to this Gavin was Managing Director of Rubberduck Media Lab (RDML) which is a leading supplier of TV to mobile streaming solutions in the UK and Scandinavia. RDML was sold to Aspiro in Sweden in September 2006.
Interest in Shares and Options	395,000 ordinary shares and 1,000,000 options
Special Responsibilities	Mr Whyte is a member of the nomination and remuneration committee. Mr Whyte was appointed as Chair of the Audit Committee on the 30 July 2014.
Directorships held in other listed entities during the three years prior to the current year	Nil.

Company Secretary

Justin Clyne (appointed 1 August 2014)

NAME	PARTICULARS
Justin Clyne	Justin Clyne was admitted as a Solicitor of the Supreme Court of New South Wales and High Court of Australia in 1996 before gaining admission as a Barrister in 1998. He had 15 years of experience in the legal profession acting for a number of the country's largest corporations, initially in the areas of corporate and commercial law before dedicating himself full-time to the provision of corporate advisory and company secretarial services. Justin is a director and/or secretary of a number of public listed and unlisted companies. He has significant experience and knowledge in international law, the Corporations Act, the ASX Listing Rules and corporate regulatory requirements generally. Justin holds a Master of Laws in International Law from the University of New South Wales and is a qualified Chartered Company Secretary.
Interest in Shares and Options	Nil

Principal Activities

The principal activities of the consolidated entity are the provision of its integrated mobile and digital infrastructure, being Mobile Payments (m-Payments) and Mobile Marketing (m-Marketing), to marketers, publishers and telecommunications companies.

As a mobile payments (m-payments) and mobile marketing (m-marketing) company, the consolidated entity is an end-to-end enabler and digital distribution network. Enabling the reach, engagement, transactions with and embracement of customers via mobiles and tablets. Utilising it's integrated and award winning m-marketing and m-payments infrastructure.

The activities of the consolidated entity are business-to-business and business to consumer.

There were no other significant changes in the nature of the consolidated group's principal activities during the period.

Review of Operations

Mobile Embrace Limited posted a full-year profit after tax of $3,045,554* compared to the prior year profit after tax of $2,494,423. The development, expansion and growth of business activities under taken during this period have been major contributing factors in the further improvement of the trading, and profit result for the year ended 30 June 2015.

*The Company has utilised the available tax losses and has incurred a tax expense of $1,013,495.

($ million)	**FY 2014**	**FY 2015**	**Variance**
Revenue	$19.27	$33.02	$13.75
Gross Profit	$9.93	$14.6	$4.67
Employment costs	$4.68	$7.25	$2.57
EBITDA	**$3.15**	**$5.09**	**$1.94**
Depreciation and amortisation	$0.47	$0.97	$0.50
Impairment of intangible assets	$0.10	$0.07	($0.03)
Net Profit / (Loss) After Tax	**$2.49**	**$3.05**	**$0.56**

Mobile Embrace has positioned itself as a leading m-payments and m-marketing company with its end-to-end mobile payments and mobile marketing infrastructure, to take full advantage of the strong industry forecasts for growth in mobile payments and mobile marketing.

For Mobile Embrace, this produces a combination of revenue streams in an expanding industry environment.

Cash flow

The Company's Cash at Bank was $9,538,904 at 30 June 2015, compared to $12,257,894 at 30 June 2014.

Capital expenditure

The company spent and capitalised $1,176,045 FY15 (FY14 $2,253,522) on system development, platform development and product development. A component of that expenditure was wages, this expenditure was capitalised: FY 2015 $721,824 (FY 2014 $1,208,012).

This expenditure has underpinned and facilitated the Company's expansion of markets, products and revenues both in Australia and overseas: revenues in FY2015 increased by 71.35%

Financial Position

The net assets of the consolidated group have increased by $5,709,361 from 30 June 2014, to $22,540,946 in 2015.

The directors believe the Group is in a stable financial position to expand and grow its current operations. The directors believe the Group will be able to fund future operations through share issues, debt instruments, control of costs and the continued commercialisation of its business-to-business activities.

Significant Changes in State of Affairs

During the financial year there were no significant changes in the state of affairs of the consolidated entity other than that referred to in the financial statements or notes thereto.

After Balance Date Events

On the 3 July 2015: 5,440,000 employee performance based options were vested converting to shares and held in trust by AET SFS Pty Ltd <MBE employee plan A/C>.

On the 29 July 2015 350,000 employee options lapsed due to forfeiture under the MBE performance rights and options plan.

The Company has acquired Vizmond Media Pty Ltd for a total consideration of $2.5M plus potential consideration of up to a further $3.5M over 3 years and subject to profit before tax targets through to 2018. Vizmond media is a digital performance based marketing company with cutting edge proprietary technology developed over the last 3 years.

Other than the above, there have been no events that have occurred since the reporting date which would materially impact on the financial position of the Company and its controlled entities.

Future Developments, Prospects and Business Strategies

The Investor presentation released to the ASX on the 4 August 2014 can be viewed at www.mobileembrace.com.

Disclosure of certain information regarding likely developments in the operations of the consolidated entity in future financial periods and the expected results of those operations is likely to result in unreasonable prejudice to the consolidated entity. Accordingly, this information has not been disclosed in this report.

Environmental Issues

The consolidated entity's operations are not affected by any significant environmental regulation under the law of the Commonwealth or the State.

To the extent that any environmental regulations may have an incidental impact on the consolidated group's operations, the directors of the company and its controlled entities are not aware of any breach by the company and its controlled entities of those regulations.

Dividends

There have been no dividends paid or declared since the beginning of the financial year, and the directors do not recommend the payment of a dividend in respect of the financial year ended 30 June 2015.

Share Based Payments

The Performance Factory Pty Ltd was acquired by the Company for a total consideration of $3.2M plus potential consideration of up to a further $4M over 2 years and subject to profit before tax targets through to 2017. Part of the consideration of $3.2M consisted of 4,000,000 fully paid ordinary shares at 25 cents. These shares are held in escrow until the 28 November 2015. (Refer ASX release 21 November 2014)

The Company acquired a non-controlling stake of 31% of Clipp Pty Ltd from existing shareholders through the issue of 4,594,665 fully paid ordinary shares at 26 cents and the granting of unlisted options for 2,297,334 ordinary shares exercisable at $0.39 each and expiring 10 June 2017. The shares are held in escrow until the 10 June 2016. (Refer ASX release 10 June 2015)

Remuneration Report

The Remuneration Report forms part of the Directors' Report and outlines the remuneration arrangements for executives and employees of Mobile Embrace Limited, including Key Management personnel in accordance with relevant accounting standards and Section 300A of the Corporations Act.

The remuneration policy of Mobile Embrace Limited has been designed to align key management personnel objectives with shareholder and business objectives by providing a fixed remuneration component and offering short term incentives and long-term incentives based on key performance areas affecting the consolidated group's financial results. The Board of Mobile Embrace Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the consolidated group, as well as create goal congruence between directors, executives and shareholders.

Remuneration of directors and executives is reviewed by the Remuneration Committee in accordance with its Charter. The Remuneration Committee makes recommendations to the Board on the following:

- Executive remuneration and incentive policies;
- Ensuring policy allows the company to recruit and retain suitably qualified executives;
- Remuneration framework for directors;
- Aligning the interests of key employees to the long-term interests of shareholders; and
- Demonstrate a clear relationship between key executive performance and remuneration.

The performance of key management personnel is measured against criteria agreed annually with each executive and is based predominantly on the forecast growth of the consolidated group's revenue, profits, shareholders' value as well as personal goals. All bonuses and incentives must be linked to predetermined performance criteria. The Board may, however, exercise its discretion in relation to approving incentives, bonuses and options, and can recommend changes to the committee's recommendations. Any changes must be justified by reference to measurable performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance results leading to long-term growth in shareholder wealth.

The Board's policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The remuneration committee determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting.

Relationship between Remuneration Policy and Company Performance

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. Two methods have been applied to achieve this aim, the first being a performance-based STI bonus based on key performance indicators, and the second being the LTI issue of options to the majority of key management personnel to encourage the alignment of personal and shareholder interests. The company believes this policy was effective in positioning itself for future growth.

The following table shows the revenue and earnings for the last five years for the listed entity, as well as the share prices at the end of the respective financial years.

	30 June 2011	30 June 2012	30 June 2013	30 June 2014	30 June 2015
Revenue $	8,824,413	11,368,854	12,228,391	19,273,392	33,015,922
EBITDA $	(981,782)	323,217	1,068,116	3,149,716	5,097,767
Net profit / (loss) after tax	(2,586,748)	(258,536)	388,838	2,494,423	3,045,554
Share price (cents)	3.6	2.1	2.0	20.0	24.5

The company's performance over the last five years is set out in the table above. The company has positioned itself to take advantage of the growing market opportunity of mobile payments and mobile marketing products and services. In the opinion of the Board, this can be attributed, in part, to the previously described remuneration policy. The Group's operations are now more diverse than in the previous financial years.

Key Management Personnel headcount remained unchanged across the financial year 2015.

Achieving long term sustainable profitable growth provides the platform to further increase shareholder wealth in the future.

Table of Employment Details of Members of Key Management Personnel

	Christopher Thorpe	Neil Wiles
Position held 30 June 2015	Chief Executive Officer	Managing Director
Contract details	Four years and 7 months from the 1 July 2014. May be extended by mutual agreement.	Four years and 7 months from the 1 July 2014. May be extended by mutual agreement.
Notice period	12 months	12 months
Total employment cost (TEC)	$365,041	$359,631
Short term incentive	A discretional amount capped at 60% of the TEC and solely based on the achievement of performance criteria set annually by the Board. Refer to Remuneration Report for KPI's.	A discretional amount capped at 60% of the TEC and solely based on the achievement of performance criteria set annually by the Board. Refer to Remuneration Report for KPI's.
Other benefits	30 days annual leave. Corporate parking. Life insurance policy paid for by MBE.	30 days annual leave. Corporate parking. Life insurance policy paid for by MBE.
Termination by Company	12 months' notice or payment in lieu	12 months' notice or payment in lieu
Restraint	12 months post termination	12 months post termination
Interest in shares as at 30 June 2015	22,176,639	19,533,000
Long term incentive / Options	- 3,000,000 options with a vesting date of June 2016, an expiry date of June 2018, with an exercise price of 5 day VWAP of MBE shares on grant date plus a premium of 43% (as approved at the AGM 30 November 2012) - 2,500,000 options vesting in 3 equal tranches over the next 3 years expiring on 31 December 2018 with a strike price of 19 cents (a 37.8% premium above the 5 day VWAP at grant date)	- 3,000,000 options were issued on the 24 July 2013 with a vesting date of June 2016, an expiry date of June 2018, with an exercise price of 5 day VWAP of MBE shares on grant date plus a premium of 43% - 2,500,000 options vesting in 3 equal tranches over the next 3 years expiring on 2 February 2018 with a strike price of 20.6 cents (a 30% premium above the 5 day VWAP at grant date)

Table of Employment Details of Members of Key Management Personnel

	Simon Allison
Position held 30 June 2015	CFO
Term of employment agreement	Appointment continued until date the employment is terminated pursuant to the terms of the agreement.
Notice period	Three months
Total employment cost (TEC)	$277,323
Short term incentive	A discretional amount capped at 60% of the TEC and solely based on the achievement of performance criteria set annually by the Board. Refer to Remuneration Report for KPI's.
Other benefits	20 days annual leave. Corporate parking.
Termination by Company	Three months notice or payment in lieu
Restraint	Three months post termination
Interest in shares as at 30 June 2015	1,000,000
Long term incentive / Options	- 3,000,000 options where issued on the 24 July 2013 with vestment dates commencing June 2014 and staggered to June 2016 with an expiry date of the 30 July 2016. - 2,000,000 options vesting in 3 equal tranches over the next 2 years expiring on 1 September 2017 with a strike price of 15.85 cents

Director and Executive Remuneration

The following table of benefits and payments detail, in respect to the financial year, the components of remuneration for each member of the key management personnel of the consolidated group and, to the extent different, the five Group executives and five company executives receiving the highest remuneration:

	Short-term Benefits			Post-employment Benefits	Equity-settle Share-based Payments		
2015	**Salary & Fees and Leave $**	**Bonuses $**	**Non-Monetary $**	**Super-annuation $**	**Shares $**	**Options $**	**Total $**
Non-Executive Directors							
Drew Kelton	61,237	-	-	5,768		-	67,005
David Haines	60,000	-	-	5,550			65,550
Gavin Whyte	42,180	-	-	-			42,180
Executives							
Chris Thorpe	305,536	-	39,159	20,346			365,041
Neil Wiles	304,225	-	36,627	18,779			359,631
Simon Allison	195,000	*50,000	9,048	23,275			277,323
	968,178	**50,000**	**84,834**	**73,718**			**1,176,730**

*STI Bonus to Mr Allison for FY2014

	Short-term Benefits			Post-employment Benefits	Equity-settle Share-based Payments		
2014	**Salary & Fees and Leave $**	**Bonuses $**	**Non-Monetary $**	**Super-annuation $**	**Shares $**	**Options $**	**Total $**
Non-Executive Directors							
Drew Kelton	30,000	-	-	2,775	-	-	32,775
David Haines	55,625	-	-	10,469	-	-	66,094
Gavin Whyte	30,000	-	-	-	-	-	30,000
Executives							
Chris Thorpe	291,658	-	25,516	17,777	-	-	334,951
Neil Wiles	290,891	-	26,202	17,773	-	-	334,866
Simon Allison	183,578	*40,000	7,076	17,774	-	-	248,428
	881,752	**40,000**	**58,794**	**66,568**	**-**	**-**	**1,047,114**

*STI Bonus to Mr Allison for FY2013

Short Term Incentive Plan – Cash Bonuses

The Company has in place short term incentive plans. Key management are entitled to a short term cash incentive based on performance criteria as determined by and at the discretion of the board. The metrics for the short term incentive plans relate to EBITDA performance and personal goals.

The performance criteria must be met within the financial year for the bonus entitlement to be realised.

For FY2015 & FY 2016 the STI weighting is 80% EBITDA and 20% personal goals.

STI target FY2015 was to achieve a minimum growth rate of 30% of EBITDA against the FY2014 result.

Details of Base Incentive Entitlements are detailed as follows:

Executive / Position	Incentive Base
Chris Thorpe CEO	$204,000
Neil Wiles Managing Director	$204,000
Simon Allison CFO	$130,800

Incentive Payments Determination

The short term incentive plan for FY 2015 provides for the board to apply at its discretion an adjusted multiplier to the incentive base of each incentive plan participant, based on overall performance, of between 0 and 1.5

The performance of the key executives in delivering the Company's strategy was high and of great satisfaction to the board. In addition to EBITDA growth of 61.85% and Revenue growth of 71.30%, revenue and EBITDA market guidance was exceeded. The Company's market position was significantly strengthened and expanded, and the Company completed and successfully integrated two EPS accretive strategic acquisitions.

The board has instructed the remuneration committee to make a determination in regard to amount of STI bonus to be paid to the Chief Executive Officer, Managing Director and Chief Financial Officer for FY2015.

Share Options

Long Term Incentive Plan – Share Options

Share options granted to executives during the financial year

On the 21 July 2014: (a) 6,440,000 employee performance based options were vested converting to shares and held in trust by AET SFS Pty Ltd <MBE employee plan A/C>. (b) 550,000 employee options lapsed due to forfeiture under the MBE performance rights and options plan.

On the 26 August 2014 500,000 performance rights were issued to an employee under the MBE performance rights and option plan.

On the 24 December 2014 and as approved at the AGM on the 27 November 2014 the following Directors options were issued: (a) Options were issued to the Directors at a strike price of $0.19, vesting in 3 tranches on 1 December 2015, 1 December 2016 and 1 December 2018 and all an expiry date of 31 December 2018: Andrew Kelton 3,000,000 options Chris Thorpe 2,500,000 options David Haines 1,000,000 options and Gavin Whyte 1,000,000 options.

On the 9 January 2015 the following employee options were issued: (a) 2,500,000 options were issued to Neil Wiles at a strike price of $0.206, vesting in 3 tranches on 2 January 2016, 2 January 2017 and 2 January 2018 and all an expiry date of 2 February 2018. (b) 6,400,000 options were issued to Employees at a strike price of $0.1585, vesting in 3 tranches on 1 August 2015, 1 August 2016 and 1 August 2017 and all an expiry date of 1 September 2017.

Post Balance date:

On the 3 July 2015: 5,440,000 employee performance based options were vested converting to shares and held in trust by AET SFS Pty Ltd <MBE employee plan A/C>.

On the 29 July 2015 350,000 employee options lapsed due to forfeiture under the MBE performance rights and options plan.

Share options granted to other parties during the financial year

The Company acquired a non-controlling stake of 31% of Clipp Pty Ltd from existing shareholders through the issue of 4,594,665 fully paid ordinary shares at 26 cents and the granting of unlisted options for 2,297,334 ordinary shares exercisable at $0.39 each and expiring 10 June 2017. The shares are held in escrow until the 10 June 2016. (Refer ASX release 10 June 2015)

Share options on issue at year end
Details of un-issued shares under option at the date of this report are:

Grant date	Date of expiry	Exercise price (cents)	Number under option
28-Jun-13	30-Jul-16	0	5,860,000
28-Jun-13	27-Jun-18	3.10	3,000,000
24-Jul-13	1-May-18	4.655	3,000,000
24-Jul-13	30-Jul-16	0	2,100,000
26-Aug-14	1-Jul-16	0	500,000
24-Dec-14	31-Dec-18	19.00	7,500,000
9-Jan-15	1-Sep-17	15.85	6,400,000
9-Jan-15	2-Feb-18	20.06	2,500,000
10-Jun-15	10-Jun-17	26.00	2,297,334
			33,157,334

Option holders do not have any rights to participate in any issues of shares or other interests in the company or any other entity.

There have been no unissued shares or interests in options of any controlled entity within the Group during or since the end of the reporting period. For details of options issued to directors and executives as remuneration, refer to the remuneration report. No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

Meetings of Directors

During the financial year, 8 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

Directors	Directors' Meetings		Audit Committee		Nominations & Remuneration Committee	
	Held	Attended	Held	Attended	Held	Attended
David Haines	8	8	2	2	1	1
Chris Thorpe	8	8	2	2	1	1
Gavin Whyte	8	8	2	2	1	1
Drew Kelton	8	7	2	1	-	-

Proceedings on Behalf of Company

The company was not a party to any proceedings during the year.

Indemnification of Officers and Auditors

During the financial year, the company paid a premium in respect of a contract insuring the directors of the company (as named in this report), the company secretary and all executive officers of the company against a liability incurred as a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate of the company against a liability incurred as such an officer or auditor.

Non-Audit Services

The Board of Directors is satisfied that the general standard of independence for auditors imposed by the Corporations Act has been met. No non-audit services were performed during the financial year to 30 June 2015.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2015 has been received and can be found on page 13 of the Annual Report.

This report of directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors.

Chris Thorpe
Director
4 August 2015

MOBILE EMBRACE LIMITED ABN 24 089 805 416
AND CONTROLLED ENTITIES

AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF MOBILE EMBRACE LIMITED AND CONTROLLED ENTITIES

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2015 there have been no contraventions of:

i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
ii. any applicable code of professional conduct in relation to the audit.

MNSA Pty Ltd

MNSA Pty Ltd

Mark Schiliro
Sydney
Dated this 4th day of August 2015

MNSA PTY LTD
ABN 59 133 605 400

Level 1, 283 George St
Sydney NSW 2000
GPO Box 2943 Sydney 2001

Tel (02) 9299 0901
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Email admin@mnsa.com.au

Mobile Embrace Limited and Controlled Entities
Consolidated Statement of Profit or Loss for the year ended 30 June 2015

	Notes	Consolidated Group 2015 $	2014 $
Continuing Operations			
Revenue from Continuing Operations rendered	3	**32,764,621**	19,180,637
Cost of sales		**(5,945,938)**	(5,418,800)
		26,818,683	13,761,837
Interest income	3	**251,301**	92,755
Service providers and commissions		**(1,392,682)**	-
Administration expenses		**(967,748)**	-
Advertising and marketing expenses		**(9,891,998)**	(3,925,076)
Finance costs		**(135)**	(9,737)
Depreciation and amortisation expense		**(972,951)**	(472,704)
Impairment of intangible assets		**(65,633)**	(101,913)
Employee benefits expense	4	**(7,248,659)**	(4,683,982)
Legal expenses	4	**(175,404)**	(62,642)
Occupancy expenses		**(475,212)**	(333,782)
Operational expenses		**(682,948)**	(776,112)
Other expenses from ordinary activities		**(1,137,565)**	(923,282)
Profit/(loss) before income tax		**4,059,049**	2,565,362
Income tax (expense) / benefit	5	**(1,013,495)**	(70,939)
Net profit / (loss) from continuing operations		**3,045,554**	2,494,423
Discontinued operations			
Profit/(Loss) from discontinued operations after tax		**-**	-
Profit/(loss) for the year		**3,045,554**	2,494,423
Non-controlling interest share		**-**	-
Profit/(loss) attributable to members of the parent entity		**3,045,554**	2,494,423
Basic earnings per share (cents per share)		**0.80**	0.77
Diluted earnings per share (cents per share)		**0.76**	0.72
Dividends per share (cents)		**-**	-

The accompanying notes form part of these financial statements.

Mobile Embrace Limited and Controlled Entities
Consolidated Statement of Profit or Loss for the year ended 30 June 2015

	Consolidated Group	
	2015	2014
		$
Profit/(loss) for the year	**3,045,554**	2,494,423
Other comprehensive income	**-**	-
Income tax relating to other comprehensive income	**-**	-
Other comprehensive income for the year net of tax	**-**	-
Total comprehensive income for the year	**3,045,554**	2,494,423
Total comprehensive income / (loss) attributable to:		
Members of the parent entity	**3,045,554**	**2,494,423**
Minority equity interest	**-**	**-**
	3,045,554	**2,494,423**

The accompanying notes form part of these financial statements.

Mobile Embrace Limited and Controlled Entities
Consolidated Statement of Financial Position as at 30 June 2015

	Notes	Consolidated Group **2015** **$**	2014 $
CURRENT ASSETS			
Cash and cash equivalents	9	9,538,904	12,257,894
Trade and other receivables	10	9,007,205	3,763,251
Other assets	11	437,276	234,162
TOTAL CURRENT ASSETS		18,983,385	16,255,307
NON-CURRENT ASSETS			
Trade and other receivables	10	251,485	252,992
Plant and equipment	17	220,151	93,018
Deferred tax assets	19	407,698	207,172
Intangible assets	16	2,717,395	2,317,135
Investments	13	1,936,722	
Goodwill	15	7,447,989	
Other non-current assets	11	6,300	6,300
TOTAL NON-CURRENT ASSETS		12,987,740	2,876,617
TOTAL ASSETS		31,971,125	19,131,924
CURRENT LIABILITIES			
Trade and other payables	18	4,747,295	1,793,650
Deferred Consideration	14	1,666,667	-
Income Tax Payable	5	1,208,593	-
Short-term provisions	20	584,540	463,447
TOTAL CURRENT LIABILITIES		8,207,095	2,257,097
NON-CURRENT LIABILITIES			
Deferred consideration	14	1,168,543	-
Provisions	20	54,541	43,242
TOTAL NON-CURRENT LIABILITIES		1,223,084	43,242
TOTAL LIABILITIES		9,430,179	2,300,339
NET ASSETS		22,540,946	16,831,585
EQUITY			
Issued capital	21	32,839,166	30,572,218
Reserves	22	580,466	183,607
Retained earnings / (Accumulated Losses)		(10,878,686)	(13,924,240)
(Parent interest		22,540,946	16,831,585
Non-controlling interest		-	-
TOTAL EQUITY		22,540,946	16,831,585

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flow for the year ended 30 June 2015

	Notes	Consolidated Group 2015 $	2014 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		29,507,452	18,830,855
Payments to suppliers and employees		(24,506,453)	(15,706,663)
Interest received		251,166	92,755
Net cash provided by / (used in) operating activities	24	5,252,165	3,216,947
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment in acquisitions		(4,612,779)	-
Investment in Clipp		(1,936,722)	-
Purchase of property, plant and equipment		(203,215)	(536,584)
Purchase of intangible assets		(1,290,515)	(1,989,685)
Net cash used in investing activities		(8,043,231)	(2,526,269)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings			(4,278)
Proceeds from borrowings			-
Issue of capital		72,076	11,415,268
Net cash provided by / (used in) financing activities		72,076	11,410,990
Net increase / (decrease) in cash held		(2,718,990)	12,101,668
Cash at beginning of financial year		12,257,894	156,226
Cash at end of financial year	9	9,538,904	12,257,894

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity for the ended 30 June 2015

Consolidated Group

	Issued Capital $	Accumulated Losses $	Reserves $	Non-Controlling Interest $	Total Equity $
Balance as at 30 June 2013	**19,156,951**	**(16,418,663)**	**635,587**	**-**	**3,373,875**
Issued Capital	11,750,000				11,750,000
Share issued costs	(766,237)				(766,237)
Profit for the year		2,494,423			2,494,423
Option reserve relating to options issued.			188,959		188,959
Options reserve relating to options expired.			(542,389)		(542,389)
Option reserve relating to options converting to capital	431,504		(98,550)		332,954
Balance as at 30 June 2014	**30,572,218**	**(13,924,240)**	**183,607**	**-**	**16,831,585**
Issued Capital	2,194,872				2,194,872
Share issued costs					
Profit for the year		3,045,554			3,045,554
Option reserve relating to options issued			416,935		416,935
Option reserve relating to options expired					
Option reserve relating to options converting to capital	72,076		(20,076)		52,000
Balance as at 30 June 2015	**32,839,166**	**(10,878,686)**	**580,466**	**-**	**22,540,946**

The accompanying notes form part of these financial statements

Note 1. Summary of Significant Accounting Policies

These consolidated financial statements and notes represent those of Mobile Embrace Limited and controlled entities ('Consolidated Group' or 'Group'). The separate financial statements of the parent entity, Mobile Embrace Limited, have not been presented within this financial report as permitted by the *Corporations Act 2001*.

The financial statements were authorised for issue on 4 August 2015 by the directors of the company.

Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The Group is a for profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by IASB.

Except for cash flow information the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The following is a summary of the material accounting policies adopted in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

a. Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Mobile Embrace Limited at the end of the reporting period. A controlled entity is any entity over which Mobile Embrace Limited has the power to govern the financial and operating policies so as to obtain benefits from the entity's activities.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities are included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 12 to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are reported separately within the Equity section of the consolidated Statement of Financial Position and Statement of Profit or Loss. The minority interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

Business combinations

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

Note 1. Summary of Significant Accounting Policies (continued)

All transaction costs incurred in relation to the business combination are expensed to the statement of profit or loss. The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

Goodwill
Goodwill is carried at cost less accumulated impairment losses. Goodwill is calculated as the excess of the sum of:

(i) the consideration transferred;

(ii) any non-controlling interest; and

(iii) the acquisition date fair value of any previously held equity interest over the acquisition date fair value of net identifiable assets acquired.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements.

Fair value uplifts in the value of pre-existing equity holdings are taken to the statement of profit or loss. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

The amount of goodwill recognised on acquisition of each subsidiary in which the Group holds less than a 100% interest will depend on the method adopted in measuring the non-controlling interest. The Group can elect in most circumstances to measure the non-controlling interest in the acquiree either at fair value (full goodwill method) or at the non-controlling interest's proportionate share of the subsidiary's identifiable net assets (proportionate interest method). In such circumstances, the Group determines which method to adopt for each acquisition and this is stated in the respective notes to these financial statements disclosing the business combination.

Under the full goodwill method, the fair value of the non-controlling interest is determined using valuation techniques which make the maximum use of market information where available. Under this method, goodwill attributable to the non-controlling interests is recognised in the consolidated financial statements.

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates.

Goodwill is tested for impairment annually and is allocated to the Group's cash-generating units or groups of cash-generating units, representing the lowest level at which goodwill is monitored not larger than an operating segment. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity disposed of.

Changes in the ownership interests in a subsidiary are accounted for as equity transactions and do not affect the carrying values of goodwill.

b. Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses. Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, where there is no effect on accounting or taxable profit or loss.

Note 1. Summary of Significant Accounting Policies (continued)

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

c. Plant and Equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a re-valued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives to the consolidated group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Leasehold Improvements	20%
Furniture and fittings	20%
Computer equipment	33%
Internet website	33% - 67%
Software	25%

Note 1. Summary of Significant Accounting Policies (continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss. When re-valued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

d. Leases

Leases of fixed assets: where substantially all the risks and benefits incidental to the ownership of the asset but not the legal ownership that is transferred to entities in the consolidated group, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

e. Financial Instruments

i. Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

ii. Classification and Subsequent Measurement

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are substantially measured at amortised cost using the effective interest rate method.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after reporting date. (All other loans and receivables are classified as non-current assets.)

iii. Impairment

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

Note 1. Summary of Significant Accounting Policies (continued)

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the Group recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

iv. De-recognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

f. Impairment of Assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a re-valued amount in accordance with another Standard (eg. in accordance with the revaluation model in AASB 116). Any impairment loss of a re-valued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

g. Intangible assets other than goodwill

Research and development

Expenditure during the research phase of a project is recognised as an expense when incurred. Software and product Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably. Development costs have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful life of the project.

h. Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Note 1. Summary of Significant Accounting Policies (continued)

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity; otherwise the exchange difference is recognised in the statement of profit and loss.

Group companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates prevailing at the end of that reporting period;
- Income and expenses are translated at average exchange rates for the period; and
- Retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of profit or loss in the period in which the operation is disposed.

i. Provisions

Provisions are recognised when the Group has legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

j. Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wages increases and the probability that the employee may satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Equity-settled compensation

The Group operates an employee share ownership plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the option reserve. The fair value of options is determined using the Black-Scholes pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

Note 1. Summary of Significant Accounting Policies (continued)

k. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

l. Revenue

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. When the inflow of consideration is deferred, it is treated as the provision of financing and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods. Interest revenue is recognised using the effective interest rate method.

All revenue is stated net of the amount of goods and services tax (GST).

m. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the period in which they are incurred.

n. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

o. Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the Group has retrospectively applied an accounting policy or makes a retrospective restatement of items in the financial statements, or when it reclassifies items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

p. Critical Accounting Estimates and Judgment

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Note 1. Summary of Significant Accounting Policies (continued)

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenditures is provided below. Actual results may be substantially different.

Key Estimates – Impairment

The Group assesses impairment at the end of each reporting period by evaluating conditions specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

As a result of impairment testing on the carrying amount of goodwill a provision for impairment has not been recognised in the financial year ending 30 June 2015.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

As a result of impairment testing on the useful lives of depreciable assets a provision for impairment of $65,633 has been recognised in respect of software development undertaken in the financial year ending June 2013.

Key Judgements – Provisions of Impairment of Receivables

A provision for impairment of $108,863 has been recognised in respect of receivables as at year ended 30 June 2015.

q. New Accounting Standards for Application in Future Periods
Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the Group, together with an assessment of the potential impact of such pronouncements on the Group when adopted in future periods, are discussed below:

AASB 9: Financial Instruments and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes that may affect the Group on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be largely prospective.

Although the directors anticipate that the adoption of AASB 9 may have an impact on the Group's financial instruments, including hedging activity, it is impracticable at this stage to provide a reasonable estimate of such impact.

AASB 15: Revenue from Contracts with Customers (applicable to annual reporting periods commencing on or after 1 January 2017).

Note 1. Summary of Significant Accounting Policies (continued)

q. New Accounting Standards for Application in Future Periods (continued)

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.
Although the directors anticipate that the adoption of AASB 15 may have an impact on the Group's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

Note 2: Parent Information

	2015	2014
	$	$
The following information has been extracted from the books and records of the parent and has been prepared in accordance with Accounting Standards.		
Statement of Financial Position		
Assets		
Current assets	259,828	259,828
Total current Assets	259,828	259,828
Non-current assets	15,363,208	12,699,400
Total non-current assets	15,363,208	12,699,400
Total Assets	15,623,036	12,959,228
Liabilities		
Current liabilities	1,208,593	-
Total current liabilities	1,208,593	-
Non-current liabilities	-	-
Total non-current liabilities	-	-
Total Liabilities	1,208,593	-

Note 2: Parent Information

	2015 $	2014 $
Net Assets	14,414,443	12,959,228
Equity		
Issued capital	32,839,166	30,572,218
Accumulated losses	(19,005,189)	(17,796,597)
Reserve	580,466	183,607
Total Equity	14,414,443	12,959,228
Statement of Comprehensive Income		
Total profit / (loss)	-	-
Total comprehensive income	-	-

Guarantees
Mobile Embrace Limited has not entered into any guarantees, in the current or previous financial year, in relation to the debts of its subsidiaries.

Contractual commitments
At 30 June 2015, Mobile Embrace Limited had not entered into any contractual commitments for the acquisition of property, plant and equipment (2014: nil).

Note 3: Revenue and Other Income

	Consolidated Group	
	2015 $	2014 $
a) Revenue from continuing operations		
Sales revenue:		
- Revenue from services rendered	32,764,621	19,180,637
Interest received:		
- other persons	251,301	92,755
Total revenue	33,015,922	19,273,392
b) Total revenue and other income		
• attributable to members of the parent entity	33,015,922	19,273,392
• attributable to non-controlling interests	-	-
	33,015,922	19,273,392

Note 4. Profit / (loss) for the Year

a. Expenses

	Consolidated Group	
	2015	2014
Borrowing expenses:		
Interest expense	135	9,737
Legal expenses:		
Legal fees	175,404	62,642
Total legal expenses	175,404	62,642
Amortisation and impairment of intangible assets:		
Software and website development	890,255	442,184
Impairment of intangible assets	65,633	101,913
Total amortisation and impairment	955,888	544,097
Depreciation of non-current assets:		
Computer equipment	42,892	24,298
Furniture and fixtures	1,915	1,989
Leasehold improvements	7,499	4,233
Total depreciation	52,306	30,520
Rental expense:		
Rental expense on operating leases	358,437	299,609
Total rental expense	358,437	299,609
Capitalised Employee Salaries:		
Capitalised IT development	353,231	520,128
Capitalise International development	199,652	600,426
Capitalised Platform development	168,937	87,458
Total Capitalised Employee Salaries	721,820	1,208,012
Employee Benefits expense:		
Employee Benefits expense	7,248,659	4,683,982
Total Employee Benefits expense	7,248,659	4,683,982
Total Employee Benefits expenditure	7,970,479	5,891,994

Note 5. Income Tax Expense

Note 5: Income Tax Expense

a. The components of income tax expense/(credit) comprise:	`	
Deferred Tax	(200,526)	5,360
Current Tax	1,208,593	65,511
Over/under provision from prior years	5,428	68
	1,013,495	70,939

b. The prima facie tax on profit/(loss) from ordinary activities before income tax is reconciled to the income tax expense/(benefit) as follows:

Prima facie tax on profit/(loss) before income tax at 30% (2014: 30%)	1,217,714	769,609
Tax effect of:		
- Other non-assessable items	-	(83,222)
- Other deductible items	(324,819)	(212,464)
- Other non-allowable items	115,172	273,776
- Carried forward tax losses utilised	-	(682,188)
Tax incentive	5,428	5,360
- Movements in Deferred Taxes	-	68
Income tax attributable to entity	1,013,495	70,939

Note 6. Interests of Key Management Personnel (KMP)

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2015.

The totals of remuneration paid to KMP of the company and the Group during the year are as follows:

• Short-term employee benefits	1,024,576	980,546
• Post-employment benefits	73,718	66,568
	1,098,294	1,047,114

Note 6. Interests of Key Management Personnel (KMP) (continued)

KMP Options Holdings

The number of options over ordinary shares held by each KMP of the Group during the financial year is as follows:

30 June 2015	Balance at beginning of year	Granted as remuneration during the year	Other changes during the year*	Balance at end of year	Vested during the year	Vested and exercisable
Andrew Kelton		3,000,000		3,000,000		
David Haines	-	1,000,000	-	1,000,000	-	-
Gavin Whyte	-	1,000,000	-	1,000,000	-	-
Chris Thorpe	3,000,000	2,500,000	-	5,500,000	-	-
Neil Wiles	3,000,000	2,500,000	-	5,500,000	-	
Simon Allison	3,000,000	2,000,000	-	5,000,000	-	1,500,000
	9,000,000	12,000,000		21,000,000		1,500,000
30 June 2014						
David Haines	-	-	-	-	-	-
Gavin Whyte	-	-	-	-	-	-
Chris Thorpe	-	3,000,000	-	3,000,000	-	-
Neil Wiles	-	3,000,000	-	3,000,000	-	-
Simon Allison	-	3,000,000	-	3,000,000	-	-
	-	9,000,000	-	9,000,000	-	-

KMP Shareholdings

The number of ordinary shares held in Mobile Embrace Limited by each Key Management Personnel of the Group during the financial year is as follows:

30 June 2015	Balance at beginning of year	Granted as remuneration during the year	Other changes during the year	Balance at end of year
Andrew Kelton	-		250,000	250,000
David Haines	325,000		90,000	415,000
Gavin Whyte	395,000			395,000
Chris Thorpe	22,176,639			22,176,639
Neil Wiles	19,533,000			19,533,000
Simon Allison			*1,000,000	1,000,000
	42,429,639		1,340,000	43,769,639

*Options exercised at 30 June 2015

30 June 2014				
Andrew Kelton				
David Haines	300,000	-	25,000	325,000
Gavin Whyte	395,000	-	-	395,000
Chris Thorpe	26,676,639	-	(4,500,000)	22,176,639
Neil Wiles	24,033,000	-	(4,500,000)	19,533,000
Simon Allison				
	51,404,639		(8,975,000)	42,429,639

Other KMP Transactions

There have been no other transactions involving equity instruments other than those described in the tables above. For details of other transactions with KMP, refer to Note 29: Related Party Transactions. For details of loans to KMP, refer to Note 10: Trade and Other Receivables.

Note 7. Auditors' Remuneration

	Consolidated Group 2015 $	Consolidated Group 2014 $
Remuneration of the auditor of the parent entity for:		
Parent Company Auditor	**112,105**	88,000
Subsidiary Company Auditor	**6,861**	-
	118,966	88,000

Note 8. Earnings Per Share

	2015	2014
a. Reconciliation of earnings to profit or loss:		
Profit/ (Loss)	3,045,554	2,494,423
Profit/ (Loss) attributable to non-controlling equity interest		-
Earnings used to calculate basic EPS	3,045,554	2,494,423
Earnings used in the calculation of dilutive EPS	3,045,554	2,494,423
b. Reconciliation of earnings to profit or loss from continuing operations:		
Profit from continuing operations	3,045,554	2,494,423
Profit attributable to non-controlling equity interest in respect of continuing operations		
Earnings used to calculate basic EPS from continuing operations	3,045,554	2,494,423
Earnings used in the calculation of dilutive EPS from continuing operations	3,045,554	2,494,423
c. Reconciliation of earnings to profit or loss from discontinued operations:		
Loss from discontinued operations	-	-
Loss attributable to non-controlling equity interest	-	-
Earnings used to calculate basic EPS from discontinued operations	-	-
	No.	**No.**
d. Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	**382,956,843**	320,351,620
Weighted average number of dilutive options outstanding	**19,774,151**	26,170,000
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	**402,730,994**	346,521,620

Note 9. Cash and Cash Equivalents

	2015	2014
Cash at bank and in hand	**4,538,904**	2,148,710
Deposits at call	**5,000,000**	10,109,184
	9,538,904	12,257,894

The effective interest rate on at call bank deposits was 2.25% (2014: 3.22%).

Note 10. Trade and Other Receivables

	Note	Consolidated Group 2015 $	2014 $
Current			
Trade receivables		**8,479,684**	3,508,737
Provision for impairment		**(108,863)**	(101,224)
		8,370,821	3,407,513
Other receivables		**636,384**	355,738
Total Trade and other Receivables		**9,007,205**	3,763,251
Non - current			
Deferred consideration		**251,485**	252,992

Credit Risk — Trade and Other Receivables

The Group has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than those receivables specifically provided for and mentioned in note 10. The class of assets described as Trade and Other Receivables is considered to be the main source of credit risk related to the Group.

The following table details the Group's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled, with the terms and conditions agreed between the Group and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Group. The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

Consolidated Group	Gross amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
			< 30	31-60	61-90	> 90	
	$	$	$	$	$	$	$
2015							
Trade and term receivables	8,370,821		2,269,814	222,346	161,813	268,178	5,448,670
Other receivables	636,384						636,384
	9,007,205		2,269,814	222,346	161,813	268,178	6,085,054
2014							
Trade and term receivables	3,407,513		1,650,498	561,976	87,573	17,325	1,090,141
Other receivables	355,738						355,738
	3,763,251		**1,650,498**	**561,976**	**87,573**	**17,325**	**1,445,879**

The Group nor the parent entity does not hold any financial assets with terms that have been negotiated which would otherwise be past due or impaired.

Note 11. Other Assets

	Consolidated Group 2015 $	2014 $
a. Current		
Prepayments	**437,276**	**234,162**
b. Non-Current		
Formation costs	**6,300**	**6,300**

Note 12. Controlled Entities

Controlled Entities Consolidated

Name of Entity	Country of Incorporation	Ownership Interest 2015 %	2014 %
Parent Entity:			
Mobile Embrace Limited	Australia		
Subsidiaries of Mobile Embrace Limited:			
Global One Mobile Entertainment Pty Ltd	Australia	**100**	100
Divolution Limited	Australia	**100**	100
4th Screen	Australia	**100**	100
6G Pty Ltd	Australia	**100**	100
7A Pty Ltd	Australia	**100**	100
8Z Pty Ltd	Australia	**100**	100
Convey Pty Ltd (formerly Level 3 Pty Ltd)	Australia	**100**	100
Mobipay Pty Ltd (formerly Convey Pty Ltd)	Australia	**100**	100
Convey Global Pte Ltd	Singapore	**100**	100
The Performance Factory Pty Ltd *	Australia	**100**	0
Eggmobi Pty Ltd **	Australia	**100**	0

*The Company took control of The Performance Factory on 1 July 2014.
**The Company took control of Eggmobi on 13 August 2014.

Note 13. Investments

	Consolidated Group 2015 $	2014 $
Clipp Pty Limited – Drawdown debt facility – convertible note (cash)	**583,333**	-
Clipp Pty Limited – non-controlling stake of 31% (non-cash)	**1,353,389**	-
	1,936,722	-

Drawdown debt facility – convertible note

The Company has granted Clipp Pty Limited a $3.5M convertible note to Clipp Pty Ltd with quarterly drawdown of funds over 18 months. The Company can convert any draw down into equity at any stage. Further drawdowns are at the Company's sole discretion. At balance date one draw down had occurred.

Non-controlling stake of 31%

The Company acquired a non-controlling stake of 31% of Clipp Pty Ltd from existing shareholders through the issue of 4,594,665 fully paid ordinary shares at 26 cents and the granting of unlisted options for 2,297,334 ordinary shares exercisable at $0.39 each and expiring 10 June 2017.

Clipp is an M payments product using the mobile phone to create a bar tab at venues. The Company believes that its investment in Clipp will accelerate Clipp's growth and market penetration using multiple growth channels across MBE's M payments and M marketing business. (refer ASX release 10 June 2015)

Note 14 Business combinations: Acquisitions

Acquired Controlled Entities – The Performance factory:

The Company took control of The Performance Factory on 1 July 2014. The Performance Factory Pty Ltd was acquired by the Company by purchasing 100% of the issued capital for a total consideration of $3.2M plus potential consideration of up to a further $4M over 2 years and subject to profit before tax targets through to 2017. Part of the consideration of $3.2M consisted of 4,000,000 fully paid ordinary shares at 25 cents. These shares are held in escrow until the 28 November 2015. (Refer ASX release 21 November 2014)

The details of the business combination are as follows:

	$'000
Fair value of consideration transferred	
Amount in cash	2,200,000
Amount in shares	1,000,000
Contingent consideration	2,000,000
Total value of consideration	**5,200,000**
Recognised amounts of identifiable assets	
- Cash at bank	116,240
- Trade and other receivable	501,583
- Fixed Assets	33,203
Recognised amounts of identifiable liabilities	
- Trade payables	(622,658)
- GST & PAYB payable	(51,808)
Recognised amounts of identifiable net assets/ (liabilities)	(23,440)
Goodwill – Total value of consideration less identifiable net assets/(liabilities)	**5,223,440**

The acquisition was settled by: a) a cash payment of $2.2 million b) the issue of scrip in Mobile Embrace limited of 4.0 million shares at a price of 25 cents per share (an attributable value of $1 million) c) a potential consideration of $4 million of over the next 2.5 years based on the Achievement of earnings targets for FY 2015, FY 2016 and FY 2017.

In calculating the contingent consideration relating to the earnings targets the Company believes that the FY 2015 and FY 2016 targets are 100% achievable and that it is highly unlikely that the FY 2017 target is achievable.

As at the 30 June 2015 there have been no changes in the estimates of the profitable cash outflow and hence no adjustment to the liability.

Acquisition related costs of $33,750 are not included as part of consideration transferred and have been recognised as an expense in the consolidated statement of profit and loss and other comprehensive income, as part of the legal expense and as part of the other expenses

Identifiable net Assets
The fair value of the trade and other receivables acquired as part of the business combination amounted to $501,583. As of the acquisition date, management believed that this was collectable.

Goodwill
Goodwill of $5,223,440 is primarily related to the growth expectations, future profitability and the synergy between The Performance factory and M payments and M marketing business units of the Company.

The Performance Factories contribution to the group results
The Performance Factory posted an EBITDA of $1,416,846 for the period 1 July 2014 to the 30 June 2015. The acquisition of The Performance Factory has contributed to the groups EBITDA in the reporting period by $1,416,846.

Note 14 Acquisitions and Business combinations (continued)

Contingent Consideration – The Performance Factory:

As at 30 June 2015, the contingent consideration of $2,000,000 recognised in regard to the acquisition of The Performance Factory Pty Ltd, has a balance payable in subsequent periods of $1,000,000.

The balance of the contingent consideration at balance date has been classified:

Current Portion	$1,000,000
Non-Current Portion	$1,000,000

Acquired Controlled Entities - Eggmobi:

The Company took control of Eggmobi on 13 August 2014. Eggmobi Pty Limited was acquired by Mobile Embrace by purchasing 100% of the issued capital for a total consideration of $1.4 million with additional earn out contingent on performance in line with the company's growth targets. (Refer ASX release 24 December 2014)

The details of the business combination are as follows:

	$'000
Fair value of consideration transferred	
Amount in cash	1,412,775
Contingent consideration	836,210
Total value of consideration	**2,248,985**
Recognised amounts of identifiable assets	
- Cash at bank	6,508
- Trade and other receivable	24,427
- Fixed Assets	1,169
Recognised amounts of identifiable liabilities	
- Trade payables	(7,668)
Recognised amounts of identifiable net assets	24,436
Goodwill – Total value of consideration less identifiable net assets	**2,224,549**

The acquisition was settled by: a) a cash payment of $1,412,775. c) A potential consideration of $2 million of over the next 2.5 years based on the Achievement of EBITDA targets for FY 2015, FY 2016 and FY 2017.

In calculating the contingent consideration relating to the EBITDA targets the Company believes that the FY 2015 and FY 2016 targets are 100% achievable and that it is highly unlikely that the FY 2017 target is achievable.

As at the 30 June 2015 there have been no changes in the estimates of the profitable cash outflow and hence no adjustment to the liability.

Acquisition related costs of $28,320 are not included as part of consideration transferred and have been recognised as an expense in the consolidated statement of profit and loss and other comprehensive income, as part of the legal expense.

Identifiable net Assets
The fair value of the trade and other receivables acquired as part of the business combination amounted to $24,427. As of the acquisition date, management believed that this was collectable.

Note 14 Acquisitions and Business combinations (continued)

Acquired Controlled Entities - Eggmobi:

Goodwill
Goodwill of $2,224,549 is primarily related to the growth expectations, future profitability and the synergy between Eggmobi and M marketing.

Eggmobi contribution to the group results
Eggmobi posted an EBITDA of $701,721 for the period 13 August 2014 to the 30 June 2015. The acquisition of Eggmobi has contributed to the groups EBITDA in the reporting period by $701,721. From the 1 July 2014 to the 12 August 2014 Eggmobi lost $303.

Contingent Consideration – Eggmobi:

As at 30 June 2015, the contingent consideration of $835,210 recognised in regard to the acquisition of Eggmobi Pty Ltd, has a balance payable in subsequent periods of $835.210

The balance of the contingent consideration at balance date has been classified:

Current Portion	$666,667
Non-Current Portion	$168,543

Note 15. Goodwill

	Consolidated Group	
	2015	**2014**
Goodwill	**$**	**$**
Goodwill on acquisitions – The Performance factory	**5,223,440**	
Goodwill on acquisitions - Eggmobi	**2,224,549**	-
Accumulated Impairment	**-**	-
Carrying Value at 30 June 2015	**7,447,989**	-

Impairment testing

For the purposes of annual impairment testing goodwill is broken down into the following cash generated units which is consistent with business combination calculations.

The Performance Factory (TPF)	**5,223,440**
Eggmobi (Egg)	**2,224,549**
Goodwill allocation at 30 June 2015	**7,447,989**

The recoverable amounts of the cash generating units were determined based on the value-in-use calculations covering a detailed 5 year forecast, followed by an extrapolation of expected cash flows for the units remaining useful lives using the growth rates determined by management. The present value of the expected cash flows of each segment is determined by applying a suitable discount rate.

Management has taken into account the industry growth rates and the relative likely competitive pressures on the sector, and the market growth rates for FY15 against FY14 (TPF revenue growth 110%, Egg revenue growth 457%). The discount rate is based on the WACC for the Company. Since Company has no debt the calculation becomes the return on equity (NPAT/Shareholders Equity: 11.92%)

Note 15. Goodwill (continued)

Growth rates and Discount rates:

		FY16	FY17	FY18	FY19	FY20
TPF	Growth rates	30%	20%	10%	nil	nil
	Discount rates	12%	12%	12%	12%	12%
Egg	Growth rates	30%	25%	nil	nil	nil
	Discount rates	12%	12%	12%	12%	12%

Cash flow assumptions

Management's key assumptions for both businesses include, stable margin, increased head count through FY 2016 and FY2017 and strong revenue growth across FY 2016 and FY 2017. While management believes growth will continue across FY 2018 to FY 2020 given the sectors infancy and increasing adoption rates for FY 2019 and FY 2020 management has assumed no growth.

Management tested a range of sensitives including different discount rates for the impairment testing ranging from 12% to 18%.

Apart from the considerations described in determining the value-in-use of the cash generating units described above, management is not currently aware of any other probable changes that would necessitate changes in its key estimates.

Impairment testing:

Cash Generating unit	Carrying amount of Goodwill	NPV of cash flow	Surplus/(deficit)
The Performance factory	5,223,440	6,529,634	1,306,194
Eggmobi	2,224,549	3,051,421	826,872

*applying discount rate of 12%

Note 16. Intangible Assets

	Consolidated Group 2015 $	Consolidated Group 2014 $
Software development	**4,536,383**	3,360,338
Accumulated Amortisation	**(1,951,759)**	(1,095,883)
Net Carrying Value	**2,584,624**	2,264,455
Content and Web development costs	**278,354**	163,884
Accumulated Amortisation	**(145,583)**	(111,204)
Net Carrying Value	**132,771**	52,680
Total Intangibles	**2,717,395**	2,317,135

Movements in Carrying Amounts

Movement in the carrying amount for each class of intangible assets between the beginning and the end of the current year.

Consolidated Group:	**Software and development $**	**Premium SMS Shortcodes $**	**Content & Web Development Costs $**	**Goodwill $**	**Total $**
Year ended 30 June 2014					
Balance at the beginning of the year	429,361	-	-	-	429,361
Additions: external acquired software	1,121,946	-		-	1,121,946
Additions: internally developed software	1,131,576		76,436		1,208,012
Disposals	-	-	-	-	-
Amortisation/Impairment	(418,428)	-	(23,756)	-	(442,184)
	2,264,455		**52,680**		**2,317,135**
Year ended 30 June 2015					
Balance at the beginning of the year	2,264,455		52,680		2,317,135
Additions: external acquired software	568,691				568,691
Additions: internally developed software	607,354		114,470		721,824
Disposals					
Amortisation /Impairment	(855,876)		(34,379)		(890,255)
	2,584,624		**132,771**		**2,717,395**

Note 17. Plant and Equipment

	Consolidated Group 2015 $	2014 $
Computer equipment		
At cost	540,943	342,603
Accumulated depreciation	(338,558)	(271,891)
	202,385	70,712
Furniture and Fittings		
At cost	33,076	28,201
Accumulated depreciation	(29,014)	(27,098)
	4,062	1,103
Leasehold Improvements		
At cost	167,623	167,623
Accumulated depreciation	(153,919)	(146,420)
	13,704	21,203
Total Plant and Equipment	220,151	93,018

Movements in Carrying Amounts
Movements in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year:

Consolidated Group:	**Computer Equipment $**	**Furniture and Fittings $**	**Leasehold Improvements $**	**Total $**
Balance at 1 July 2013	19,717	3,092	6,329	29,138
Additions	75,293	-	19,107	94,400
Disposals	-	-	-	-
Depreciation expense	(24,298)	(1,989)	(4,233)	(30,520)
Balance at 30 June 2014	**70,712**	**1,103**	**21,203**	**93,018**
Balance at the beginning of year	**70,712**	**1,103**	**21,203**	**93,018**
Additions	198,340	4,875	-	203,215
Disposals				
Depreciation expense	(66,667)	(1,916)	(7,499)	(76,082)
Closing value at 30 June 2015	**202,385**	**4,062**	**13,704**	**220,151**

Note 18. Trade and Other Payables

CURRENT	**2015**	2014
Trade Payables	**3,083,252**	**1,180,482**
Sundry payables and accrued expenses	**1,664,043**	**613,168**
	4,747,295	**1,793,650**

Note 19. Tax

CONSOLIDATED GROUP	Opening Balance	Charged to Income	Other	Closing Balance
Deferred Tax Assets				
Provisions	152,006	39,718	-	191,724
Accrued Expenses	55,166	160,808	-	215,974
Balance at 30 June 2015	**207,172**	**200,526**	**-**	**407,698**

Deferred Tax assets not brought to account, the benefits of which will be realised if the conditions of deductibility set out in Note 1b occur:

Tax losses: capital loss:	$14,443	(2014:	$14,443)
Tax losses: operating loss:	nil	(2014:	Nil)

Note 20. Provisions

Long term Employee Benefits:	**2015**	2014
Opening balance at beginning of financial year	**506,689**	179,403
Additional provisions	**132,392**	327,286
Amounts used		
Balance at end of financial year	**639,081**	506,689

Analysis of total provisions		
Current	**584,540**	**463,447**
Non- current	**54,541**	**43,242**

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1.

Note 21. Issued Capital

	Consolidated Group	
	2015	2014
	$	$
Ordinary shares		
386,429,763 (2014:369,270,098) fully paid ordinary shares	32,829,166	30,572,218

	No.	No.
a. Ordinary shares		
At the beginning of the reporting period	369,270,098	307,877,790
Shares issued during the year	17,159,665	61,392,308
At reporting date	386,429,763	369,270,098

During the Financial year ending 30 June 2015: 8,565,000 options were exercised at various exercise prices.

The Performance Factory Pty Ltd was acquired by the Company for a total consideration of $3.2M plus potential consideration of up to a further $4M over 2 years and subject to profit before tax targets through 2017. Part of the consideration of $3.2M consisted of 4,000,000 fully paid ordinary shares at 25 cents. These shares are held in escrow until the 28 November 2015. (Refer ASX release 21 November 2014)

The Company acquired a non-controlling stake of 31% of Clipp Pty Ltd from existing shareholders through the issue of 4,594,665 fully paid ordinary shares at 26 cents. These shares are held in escrow until the 10 June 2016. (Refer ASX release 10 June 2015)

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

b. Capital Management

Management controls the capital of the Group in order to maintain a good debt to equity ratio, provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital includes ordinary share capital, and financial liabilities, supported by financial assets.

c. Options

For information relating to the Mobile Embrace Limited employee option plan including details of options issued, exercised and lapsed during the financial year and the options outstanding at year-end, refer to Note 25 Share Based Payments.

For information relating to share options issued to Key Management personnel during the financial year, refer to Note 6 Key Management Personnel Compensation.

Post Balance date:

On the 3 July 2015: 5,440,000 employee performance based options were vested converting to shares and held in trust by AET SFS Pty Ltd <MBE employee plan A/C>.

On the 29 July 2015 350,000 employee options lapsed due to forfeiture under the MBE performance rights and options plan.

Note 22. Reserves

	Consolidated Group	
	2015	2014
	$	$
Employee equity settled benefits		
Opening Balance	169,950	528,731
Expensed during the year	258,419	188,959
Exercised during the year	(20,076)	(98,290)
Cancelled during the year		(449,450)
Closing Balance	408,293	169,950
Other equity settled benefits		
Opening balance	13,656	106,856
Granted/Exercised during the year	158,517	(93,200)
Cancelled during the year		-
Closing Balance	172,173	13,656
At reporting date	580,466	183,606

Employee equity settled benefits reserve arises on the grant of share options to employees under the Mobile Embrace Limited Employee Share Option Plan. Amounts are transferred out of the reserve into issued capital when the options are exercised. Further information about share based payments to employees is in Note 25 to the financial statements.

Note 23. Operating Segments

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of product category and service offerings as the diversification of the Group's operations inherently have different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- The products sold and / or services provided by segment;
- the type or class of customer for the products or services;
- the distribution method; and
- any external regulatory requirements.

Note 23. Operating Segments (continued)

Types of products and services by segment

(i) Mobile Marketing (including Advertising) - 4th Screen Advertising Australia

The Company enables payments (m-payments), customer acquisition and management via mobiles and tablets.

The Company enables the reaching of, engagement and transactions with consumers on their mobile devices via its mobile media trading desk and m-commerce platform.

Consumers engage with products and services and utilise m-payments to conveniently pay for products and services on their mobile and tablet devices.

(ii) Mobile Payments -Convey

The Company allows marketers and publishers to reach, engage and embrace customers via mobiles and tablets utilising its mobile marketing infrastructure.

The Company's digital networks and channels enable marketers and publishers to reach consumers at scale.

Award winning mobile media design and development, and complete mobile and digital marketing solutions enable marketers and publishers to engage and embrace their customers through reach and interaction on mobile and tablet devices.

Basis of accounting for purposes of reporting by operating segments

a. Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors, being the chief decision makers with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statement of the Group.

b. Intersegment transactions

An internally determined transfer price is set for all intersegment sales. This price is reset quarterly and is based on what would be realised in the event the sale was made to an external party at arm's length. All such transactions are eliminated on consolidation of the Group's financial statements.

Corporate charges are allocated to reporting segments based on the segments' overall proportion of revenue generation within the Group. The Board of Directors believes this is the representative of likely consumption of head office expenditure that should be used in assessing segment performance and cost recoveries.

Intersegment loans payable and receivable are initially recognised at the consideration received/to be received net of transaction costs. If intersegment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements.

c. Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives majority economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Note 23. Operating Segments (continued)

d. Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

e. Unallocated items

The following items of revenue, expenses, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- impairment of assets and other non-recurring items of revenue or expense;
- income tax expense;
- deferred tax assets and liabilities;
- current tax liabilities;
- other financial liabilities; and
- intangible assets;

(iii) Segment Performance

30 June 2015	**M pay $**	**M mar $**	**Total $**
REVENUE			
External sales	21,837,249	10,927,372	32,764,621
Interest Revenue	251,301	-	251,301
Total segment revenue	**22,088,550**	**10,927,372**	**33,015,922**
Segment Gross profit	9,584,821	4,981,434	14,566,255
Segment net profit / (loss) before tax	**6,274,952**	**676,497**	**6,951,449**
Reconciliation of segment result to group net profit / loss before tax			
Amounts not included in segment results but reviewed by the Board:			
Depreciation and amortisation			(972,951)
Unallocated items:			
Corporate charges			(1,919,449)
Net profit / (loss) before tax			**4,059,049**

Note 23. Operating Segments (continued)

30 June 2014	M Pay $	M Mar $	Total $
REVENUE			
External sales	14,161,569	5,019,068	19,180,637
Interest Revenue	92,755	-	92,755
Total segment revenue	**14,254,324**	**5,019,068**	**19,273,392**
Segment Gross profit	8,072,064	3,161,616	11,233,680
Segment net profit / (loss) before tax	**4,864,365**	**72,750**	**4,937,115**
Reconciliation of segment result to group net profit / loss before tax			
Amounts not included in segment results but reviewed by the Board:			
Depreciation and amortisation			(574,617)
Unallocated items:			
Corporate charges:			(1,797,136)
Net profit / (loss) before tax			**2,565,362**

(iv) Segment assets

30 June 2015

	M Pay $	M Mar $	Total $
Segment assets	6,714,719	5,918,793	12,633,512
Unallocated assets:			
- Cash at bank			4,538,904
- Term Deposit			5,000,000
- Deferred tax assets			407,698
- Investments			1,936,722
- Goodwill			7,447,989
- other			6,300
Total group assets			**31,971,125**

30 June 2014

	M Pay $	M Mar $	Total $
Segment assets	5,341,149	1,325,709	6,666,858
Unallocated assets:			
- Cash at Bank			2,148,710
- Term Deposit			10,109,184
- Deferred tax assets			207,172
Total group assets			**19,131,924**

Note 23. Operating Segments (continued)

(v) Segment liabilities

30 June 2015

	M Pay $	M Mar $	Total $
Segment liabilities	1,854,752	2,947.262	4,802,014
Unallocated liabilities:			
- Income tax payable			1,208,593
- Deferred consideration			2,835,032
- Short term provisions			584,540
Total group liabilities			**9,430,179**

30 June 2014

	M Pay $	M Mar $	Total $
Segment liabilities	999,515	1,300,824	2,300,339
Total group liabilities	999,515	1,300,824	2,300,339

(vi) Revenue by geographical region

Revenue attributable to external customers is disclosed below, based on the location of the external customer

	30 June 2015 $	30 June 2014 $
Australia	31,512,493	18,302,813
Singapore M marketing	-	596,104
Singapore M payments	456,216	-
New Zealand M marketing	341,519	363,842
United Kingdom M payments	348,370	10,633
Switzerland M Payments	357,324	-
Total revenue	**33,015,922**	19,273,392

(vii) Assets by geographical region

The location of segment assets by geographical location of the assets is disclosed below:

	30 June 2015 $	30 June 2014 $
Australia	**31,510,164**	18,839,440
Singapore	**434,394**	257,539
New Zealand	**26,567**	35,423
European Union	-	-
America	-	4,950
Total segment assets	**31,971,125**	19,137,352

Note 23. Operating Segments (continued)

(viii) Major customers
M payments, Telstra Corporation Limited, accounted for 20% of external revenue.
M payments, MIA, accounted for 13% of external revenue.
M payments, Optus Pty Ltd, accounted for 15% of external revenue.

Note 24. Cash Flow Information

a) Reconciliation of Cash Flow (used in)/ from Operations with Profit / (Loss) after Income Tax

	Consolidated Group	
	2015	2014
	$	$
Profit/(Loss) from ordinary activities after income tax	**3,045,554**	2,494,423
Non-cash flows in profit/(loss) from ordinary activities:		
Depreciation	76,082	30,520
Amortisation / Impairment loss of intangibles	890,255	442,184
Impairment	65,633	101,911
Loss on sale of subsidiary		-
Share option	258,419	-
Employee Entitlements	132,392	
Bad Debt		
Changes in assets and liabilities		
Decrease/(increase) in receivables	(5,242,447)	(498,502)
Decrease/(increase) in other current assets	(203,114)	148,719
Decrease/(increase) in other assets	(275,362)	5,363
Increase/(decrease) in trade creditors	2,953,645	187,744
Increase/(decrease) in provisions	515,372	304,585
Increase/(decrease) in contingent consideration	2,835,210	-
Increase/(decrease) in Tax	200,526	-
Cash flow (used in)/from operations	5,252,165	3,216,947

Note 25. Share Based Payments

(i) The following share based payments were made during the financial year 2015:

a) The Performance Factory Pty Ltd was acquired by the Company for a total consideration of $3.2M plus potential consideration of up to a further $4M over 2 years and subject to profit before tax targets through 2017. Part of the consideration of $3.2M consisted of 4,000,000 fully paid ordinary shares at 25 cents. These shares are held in escrow until the 28 November 2015. (Refer ASX release 21 November 2014)

b) The Company acquired a non-controlling stake of 31% of Clipp Pty Ltd from existing shareholders through the issue of 4,594,665 fully paid ordinary shares at 26 cents and the granting of unlisted options for 2,297,334 ordinary shares exercisable at $0.39 each and expiring 10 June 2017. The shares are held in escrow until the 10 June 2016. (Refer ASX release 10 June 2015)

(ii) A summary of the movements of all companies options issued is as follows:

	Number	Weighted Average Exercise Price
Options outstanding as at 30 June 2010	**12,850,000**	**$0.0619**
Granted	-	-
Forfeited	(200,000)	$0.0375
Exercised	-	-
Expired	(3,000,000)	$0.1128
Options outstanding as at 30 June 2011	**9,650,000**	**$0.0466**
Granted	12,800,000	$0.0203
Forfeited	-	-
Exercised	-	-
Expired	(6,650,000)	$0.0375
Options outstanding as at 30 June 2012	**15,800,000**	**$0.0295**
Granted	16,250,000	$0.0130
Forfeited	(3,000,000)	$0.0688
Exercised	-	-
Options outstanding as at 30 June 2013	**29,050,000**	$0.0393
Granted	9,225,000	$0.0224
Forfeited		
Exercised	(15,200,000)	$0.0201
Options exercisable as at 30 June 2014	**23,075,000**	$0.0129
Granted	19,197,334	$0.1618
Forfeited	(550,000)	$0.0000
Exercised	(8,565,000)	$0.0258
Options exercisable as at 30 June 2015	**33,157,334**	$0.0985
Options exercisable as at 30 June 2014:	23,075,000	$0.0129

Note 26. Options

Share options granted as consideration for acquisition during the financial year

The amount relating to options granted expensed to the Statement of profit or loss for the 2013-14 financial year was $258,419 (2014: $272,857).

On the 3 July 2014: 5,440,000 employee performance based options were vested converting to shares and held in trust by AET SFS Pty Ltd <MBE employee plan A/C>.

On the 30 July 2014: 550,000 employee options lapsed due to forfeiture under the MBE performance rights and options plan.

Post Balance date:

On the 3 July 2015: 5,440,000 employee performance based options were vested converting to shares and held in trust by AET SFS Pty Ltd <MBE employee plan A/C>.

On the 29 July 2015 350,000 employee options lapsed due to forfeiture under the MBE performance rights and options plan.

Note 27. Dividends

	Consolidated Group	
	2015	2014
	$	$
No dividends were provided for or paid	-	-
Dividends franking account		
Balance of franking account at year end arising from payment of provision for income tax	**779,446**	**779,446**

The above available amounts are based on the balance of the dividend franking account at year-end, adjusted for franking credits that will arise from the payment of the amount of the provision for income tax.

Note 28. After Balance Date Events

On the 3 July 2015: 5,440,000 employee performance based options were vested converting to shares and held in trust by AET SFS Pty Ltd <MBE employee plan A/C>.

On the 29 July 2015 350,000 employee options lapsed due to forfeiture under the MBE performance rights and options plan.

The Company has acquired Vizmond Media Pty Ltd for a total consideration of $2.5M plus potential consideration of up to a further $3.5M over 3 years and subject to profit before tax targets through to 2018. Vizmond media is a digital performance based marketing company with cutting edge proprietary technology developed over the last 3 years.

Other than the above, there have been no events that have occurred since the reporting date which would materially impact on the financial position of the Company and its controlled entities.

Note 29. Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties: nil (2014: nil)

Note 30. Contingent Liabilities

There are no contingent liabilities at balance date.

Note 31. Leasing Commitments

	Consolidated Group	
	2015	2014
	$	$
a) Hire-purchase commitments		
Payable		
- not later than one year	-	-
- later than one year but not later than five years	-	-
Minimum payments	-	-
Less: future finance charges		
Present value of minimum payments	-	-
Minimum hire-purchase payments	-	-

b) Operating lease commitments		
Non-cancellable operating lease contracted for but not recognised in the financial statements:		
Payable		
- not later than one year	**-**	**-**
- later than one year but not later than five years	**-**	**-**
	-	**-**

The property lease is on a month to month Tenancy.

Note 32. Financial Risk Management

The Group does not engage in any significant transactions that are speculative in nature.

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and payable, loans to and from subsidiaries.

The Board of Directors monitor and manage financial risk exposures of the Group. The Board monitors the Group's financial risk management policies and exposures and approves financial transactions within the scope of its authority. It also reviews the effectiveness of internal controls relating to counter party credit risk, currency risk, financing risk and interest rate risk.

The Board's overall risk management strategy seeks to assist the Group in meeting its financial targets while minimising potential adverse effects on financial performance.

Note 32. Financial Risk Management (continued)

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and interest rate risk.

a) Interest Rate Risk
The consolidated group's exposure to interest rate risk which is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

Consolidated Group	Weighted Average Interest Rate %	Non-Interest Bearing $	Fixed Interest Rate Maturing 1 Year or Less $	Fixed Interest Rate Maturing 1 to 5 Years $	Floating Interest Rate $	Total $
2015						
Financial Assets:						
Cash and cash equivalents	2.13	-	5,000,000		4,538,904	9,538,904
Trade and other receivables		9,007,205				9,007,205
		9,007,205	**5,000,000**		**4,538,904**	**18,546,109**
Financial Liabilities:						
Trade and other payables		4,747,295				4,747,295
Income Tax Payable		1,208,593				1,208,593
Deferred consideration		1,666,667		1,168,543		2,835,210
		7,622,555		**1,168,543**		**8,791,098**

	Weighted Average Interest Rate %	Non-Interest Bearing $	Fixed Interest Rate Maturing 1 Year or Less $	Fixed Interest Rate Maturing 1 to 5 Years $	Floating Interest Rate $	Total $
2014						
Financial Assets:						
Cash and cash equivalents	1.34	106,365	10,109,184		2,042,345	12,257,894
Trade and other receivables		3,763,251	-		-	3,763,251
		3,869,616	**10,109,184**		**2,042,345**	**16,021,145**
Financial Liabilities:						
Trade and other payables		1,793,650				1,793,650
Borrowings						
		-				-
		1,793,650				**1,793,650**

b) Credit Risk
The maximum exposure to credit risk by class of recognised financial assets at balance date, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

The Group has during the financial year reduced its previous material credit risk exposure to a debtor under financial instruments entered into by the Company. The Group's exposure to Sybase Australia Pty Ltd was reduced as a result of the Company implementing direct connections in to carriers, thereby spreading debtor risk.

Note 33. Financial Risk Management (continued)

c) Net Fair Values
The carrying value of financial assets and financial liabilities recorded in the statement of financial position approximates their respective net fair values. Fair values are determined by reference to standard terms and conditions, quoted market prices, where available, or discounting expected future cash flows.

d) Liquidity risk
Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- using derivatives that are only traded in highly liquid markets;
- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The table below reflects an undiscounted contractual maturity analysis for financial liabilities. Financial guarantee liabilities are treated as payable on demand since the Group has no control over the timing of any potential settlement of the liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

	Within 1 Year		1 to 5 Years		Total	
Consolidated Group	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
	$	**$**	**$**	**$**	**$**	**$**
Financial liabilities due for payment						
Loans		-	-	-		-
Trade and other payables	4,747,295	1,793,640	-	-	4,747,295	1,793,640
Deferred Consideration	1,666,667	-	1,168,543	-	2,835,210	-
Income tax payable	1,208,593				1,208,593	
Financial guarantees	-	-	-	-		-
Total contractual outflows	7,622,555	1,793,640	1,168,543	-	8,791,098	1,793,640
Less bank overdrafts			-	-		
Total expected outflows	7,622,555	1,793,640	1,168,543	-	8,791,098	1,793,640
Financial assets – cash flows realisable						
Cash and cash equivalents	9,538,904	12,257,894	-	-	9,538,904	12,257,894
Trade and loan receivables	9,007,205	3,763,251	251,485	252,922	9,258,690	4,016,173
Total anticipated inflows	18,546,109	16,021,145	251,485	252,922	18,797,594	16,274,067
Net (outflow)/ inflow on financial instruments	**10,923,554**	**14,227,505**	**(917,058)**	**252,922**	**10,006,496**	**14,480,427**

Directors' Declaration

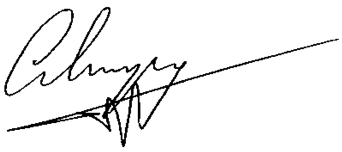
The directors of the company declare that:

1. the financial statements and notes, as set out on pages 14 to 53, are in accordance with the Corporations Act 2001 and:
    a. comply with Australian Accounting Standards, which as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and
    b. give a true and fair view of the financial position as at 30 June 2015 and of the performance for the year ended on that date of the consolidated group;

2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

3. the directors have been given the declarations required by s295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer.

At the date of this declaration, there are reasonable grounds to believe that the members of the group will be able to meet any obligations or liabilities to which they may become subject.



Chris Thorpe
Director
4 August 2015

MNSA

MOBILE EMBRACE LIMITED ABN 24 089 805 416
AND CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MOBILE EMBRACE LIMITED ABN 24 089 805 416
AND CONTROLLED ENTITIES

Report on the Financial Report

We have audited the accompanying financial report of Mobile Embrace Limited, which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence
In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's Opinion
In our opinion:

a) the financial report of Mobile Embrace Limited is in accordance with the *Corporations Act 2001*, including:

   i. giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
   ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

b.) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report
We have audited the remuneration report included in the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion
In our opinion the remuneration report of Mobile Embrace Limited for the year ended 30 June 2015 complies with s 300A of the *Corporations Act 2001*.

MNSA Pty Ltd

MNSA Pty Ltd

Mark Schiliro
Sydney
Dated this 4th day of August 2015

1. Shareholding
Distribution of Shareholders as at 30 June 2015:

Category (size of holding)	Total Holders	Units	% Held of Issued Ordinary Capital
1 - 1,000	97	28,650	0.01
1,001 - 5,000	460	1,657,026	0.43
5,001 - 10,000	472	4,071,795	1.05
10,001 - 100,000	1,553	62,602,564	16.20
100,001 - and over	453	318,069,728	82.31
	3,035	386,429,763	100.00

The number of shareholdings held in less than marketable parcels is 159.

The substantial shareholders listed in the holding company's register as at 30 June 2015 are:

20 Largest Shareholders - Ordinary Shares:

		Number Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1.	NATIONAL NOMINEES LIMITED	24,744,605	6.40
2.	WAUGHDOC PTY LTD	22,176,639	5.74
3.	NEIL WILES	12,000,000	3.11
4.	MR CAMERON DAVID NELSON	9,700,000	2.51
5.	RBC INVESTOR SERVICES AUSTRALIA NOMINEES P/L <WAM ACCOUNT>	9,500,000	2.46
6.	CONNAUGHT CONSULTANTS (FINANCE) PTY LTD <SUPER FUND A/C>	9,000,000	2.33
7.	AUSTER CAPITAL PARTNERS LLC	8,338,890	2.16
8.	MRS KRISTINE LOUISE LONG	8,000,000	2.07
9.	COMMUNITEE PTY LIMITED	7,533,000	1.95
10.	PANRON PTY LTD <NO 2 A/C>	6,960,800	1.80
11.	CITYCORP NOMINNEES PTY LIMITED	6,790,852	1.76
12.	BNP PARIBAS NOMS PTY LTD <DRP>	5,120,091	1.32
13.	B & R JAMES INVESTMENTS PTY LTD <JAMES SUPERANNUATION A/C>	5,000,000	1.29
14.	KILNORT PTY LTD <KILNORT FAMILY A/C>	4,000,000	1.04
15.	THE TRUST COMPANY (AUST) LTD <KIS CLIPP SPECIAL PURPOSE AC>	4,000,000	1.04
16.	MR ADRIAN QUILTER- HARVEY + MS VANESSA KRIVOGARD <HARVEY FAMILY S/F A/C>	3,900,000	1.01
17.	MR JEREMY STEVEN MARPLE	3,450,000	0.89
18.	PANRON PTY LTD <R & J SUPER FUND A/C>	3,384,350	0.88
19.	EQUITAS NOMINEES PTY LIMITED <3020270 A/C>	3,338,889	0.86
20.	MR ALLAN ROBERTSON	2,977,265	0.77

Top 20 holders of FULLY PAID ORDINARY SHARES (TOTAL)	**159,915,381**	**41.39**
Total Remaining Holders Balance	226,514,382	58.61
Total Holders Balance	**386,429,763**	**100.00**

1. Shareholding (continued)

Voting rights

The voting rights attached to each class of equity security are as follows:

At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

2. Company Secretary

Mr Simon Allison resigned as Company Secretary on the 1 August 2014. Mr Justin Clyne was appointed as Company Secretary on the 1 August 2014.

3. Address of Principal Registered Office

Westfield Towers
Level 10, 100 William Street
EAST SYDNEY NSW 2011 Australia

4. Share Registry

Registers of securities are held by Computershare Investor Services Pty Limited at the following address:

Level 5, 115 Grenfell Street Adelaide SA 5000	Postal address: GPO Box 1903 Adelaide SA 5001
Enquiries within Australia:	1300 556 161
Enquiries outside Australia:	+61 3 9415 4000
Email:	web.queries@computershare.com.au
Website:	www.computershare.com

5. Stock Exchange Listing

Quotation has been granted for all the ordinary shares of the company on all Member Exchanges of the Australian Stock Exchange Listing.

6. Dividends

No dividends have been paid by MBE for the year.

7. On Market Buy Back

There is no on-market buy back at the date of this report.

8. Investor Support

If you have any queries regarding your investment, please contact Computershare toll free on 1300 556 161 or visit their website at www.computershare.com. Please note there is a section of the website designed to provide shareholders with the forms necessary to initiate changes of the details held at the registry. This service is available from 8.30 to 17.30 (Sydney time) on all business days. Enquiries may also be emailed via Computershare's website.

9. Annual Report

All shareholders are entitled to receive a copy of the Annual Report. If you do not require the Annual Report, or if you receive more copies than you require, please notify Computershare. The Annual Report and Financial Statements can also be downloaded from the company's website www.mobileembrace.com.

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