

31 August 2015

Crowd Mobile executing its growth plans

Crowd Mobile Limited (**ASX: CM8 & FWB-XETRA: CM3**) (**Crowd Mobile** or the **Company**) is pleased to announce its maiden full year results since its backdoor listing in January 2015 for the year ended 30 June 2015 (**FY15**), during which the Company delivered strong growth in revenue and achieved a number of key milestones.

FY15 key highlights:

- Backdoor listed on the ASX in January 2015 & dual listed Frankfurt/XETRA June 2015
- Message volumes up by 68% year-on-year to 5.7 million
- Revenue of \$13.0 million, up 32% year-on-year
- Significant investment in continued geographic expansion and new service offerings
- Statutory EBITDA loss of \$2.8 million which reflects back door listing costs and share based payments
- Underlying EBITDA of \$2.1 million (excluding share based payments and corporate transaction costs)
- Announced proposed acquisition of Track Concepts
- Launched Crowd Butler concierge services
- Laid strong foundations to leverage the global *mobile economy* mega trend

A year of significant growth and change

Commenting on the Company's FY15 results, Crowd Mobile CEO Mr Domenic Carosa said:

"This financial year has seen considerable growth and change at Crowd Mobile as we have been focused on building our foundations as a world-class and diversified m-payments, m-content and m-commerce company, whilst at the same time achieving growth across our core business areas.

"Crowd Mobile's core focus has been on the mobile phone and capitalising on the ever-increasing demand of mobile-enabled devices. We are achieving this through our diversified approach to revenues, and through geographic expansion – Crowd Mobile entered 19 new countries over the year and now services 25 countries worldwide, covering 12 languages.

"Excitingly we announced the proposed acquisition of Track Concepts in June, which will be transformational for Crowd Mobile. The strategic benefits we see from the transaction are significant, as we look to bring together Track Concept's high value m-payments network with Crowd Mobile's existing m-payments network to create a leading platform in the high growth mobile payments industry. Commercial, financial, and legal due diligence has been completed on the acquisition, and funding is currently being finalised.

"Post 30 June, we were also pleased to announce the launch of our new concierge service called Crowd Butler. This has been an exciting development for the Company and is a fantastic strategic fit within Crowd Mobile's m-Payments portfolio given Crowd Mobile's significant global resources in micro-job fulfilment.

"Reflecting the level of investment made over FY15, including a number of one-off costs, Crowd Mobile posted a net loss after tax of \$4.0 million which included share based payments and

corporate transaction costs associated with the back door listing. Pleasingly, however, on an underlying basis the Company achieved earnings before interest, tax, depreciation and amortisation of \$2.1 million, up 4% on the prior year. This growth was driven by record message volumes, which were up by 68% to 5.7 million, and revenue growth of 32%."

Prudent capital management to remain a focus

Crowd Mobile is focused on maintaining an optimum capital structure that will allow the Company to capitalise on the numerous growth opportunities and maximise shareholder returns.

The Company has a comfortable cash balance with minimal debt, although the capital structure is likely to change upon completion of the Track Concepts acquisition. The Board's focus and preference however, is to utilise non-dilutive forms of capital as much as possible in order to minimise new share issuance and therefore any shareholder dilution.

Foundations in place for strong future growth

FY15 has been an instrumental year for Crowd Mobile as it looks to build a global m-content, m-payments and m-commerce business in order to capitalise on the global mega trend towards the mobile economy. Looking ahead, the 2016 financial year will look to consolidate the work done in FY15 to ensure continued organic growth, whilst also continuing the acquisition strategy – which includes the completion and integration of the Track Concepts acquisition.

Commenting on Crowd Mobile's outlook, Mr Carosa said:

"We remain very enthusiastic about the mobile economy growth thematic, and the early position that we have developed to date. Our focus for FY16 is to grow Crowd Mobile both organically and through acquisition. We will continue to build our m-payment distribution network globally, build our content capabilities, and release a large slate of new apps, all of which should ensure continued organic growth.

"Inorganic growth will come through the completion of the Track Concepts acquisition. We see this as a real game-changer for our business, extending the Company's reach globally to over 160 telco's, delivering strong revenue and earnings growth, and positioning Crowd Mobile as a leading m-payments organisation globally.

"We are in great shape for FY16 and are very excited to build on the foundations we have in place to capitalise on the global m-content, m-payments and m-commerce markets, and create significant value for our shareholders."

Track Acquisition Update

- ▶ **Due Diligence:** Technical, Legal & Financial Due diligence now complete
- ▶ **Senior Debt Term Sheet** for €9m executed
- ▶ **Financing:** The Company is reviewing a number of mezzanine debt and other financing alternatives and will announce to the market an update in due course
- ▶ **Share Purchase Agreement (SPA):** It is anticipated that the SPA will be executed in the coming week
- ▶ It is expected that all **financing** for the acquisition will be finalised by the end of September and completion of the acquisition will occur in October 2015.

For more information please see the FY2015 Results Presentation Deck.

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