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**Crowd Mobile Ltd (ASX: CM8 & FWB-XETRA: CM3)**

December Half Year 2016 (1H-FY16) Results Presentation

29 February 2016

Crowd<sup>+</sup>Mobile

# We are a profitable and global *mobile first* company

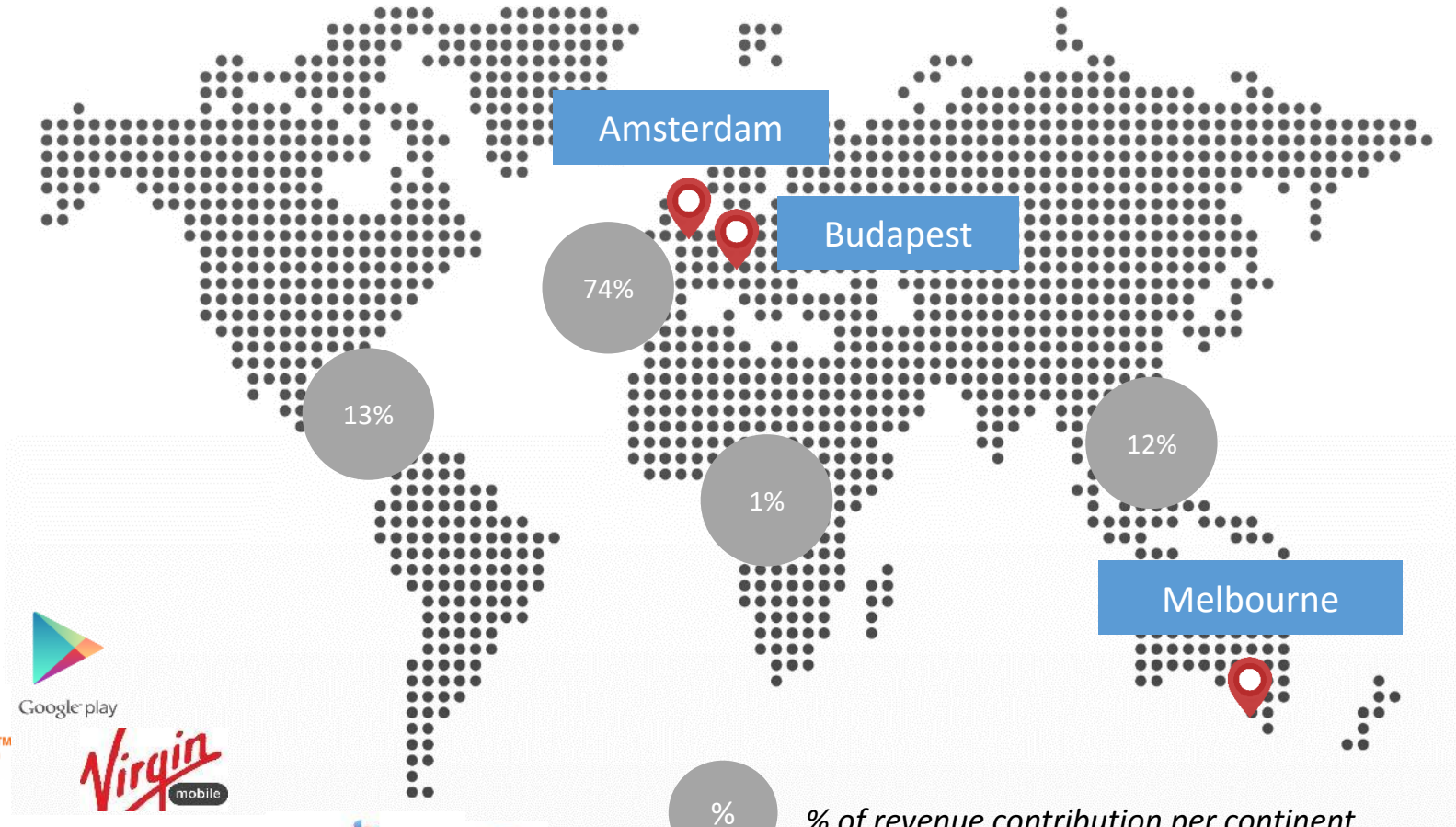
Building a leading m-payments & m-content company

Offices in Amsterdam (HQ)  
Budapest & Melbourne

Over 60 employees in the group

Reach into 160 Telcos in 50+ countries

Growth into the America's, EMEA & APAC

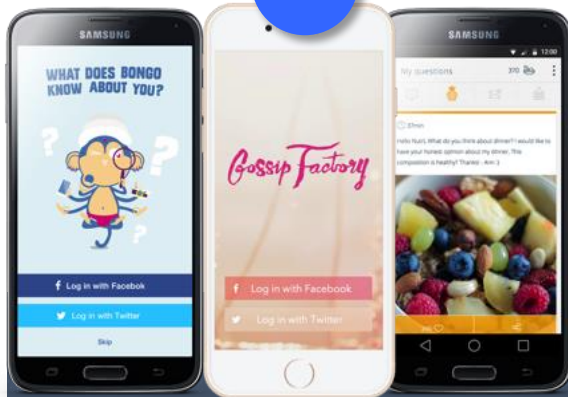


# Pillars of our Business

# CrowdMobile

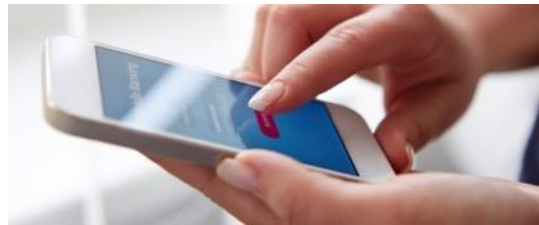
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**Question & Answer (Q&A)**

Crowd Mobile develops engaging mobile products that seamlessly connect those seeking answers with experts qualified to give them



## Mobile Payments (m-payments)

Both divisions are underpinned by a seamless m-payment process through Crowd Mobile's Telco partners/Apple/Google. Faster and more convenient than credit cards for users

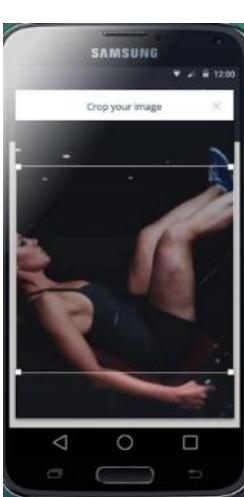


## Mobile Content Subscription

Crowd Mobile delivers mobile content including games, mobile security, applications, education, apps, music and video to millions of consumers across the world

# Product Portfolio

Q&A, Entertainment, Infotainment, Education & Mobile Security



- Diverse range of products inc Apps
- Strong in-house content capability
- 3<sup>rd</sup> Party Licencing capabilities
- Core demographic = 16-35 year olds

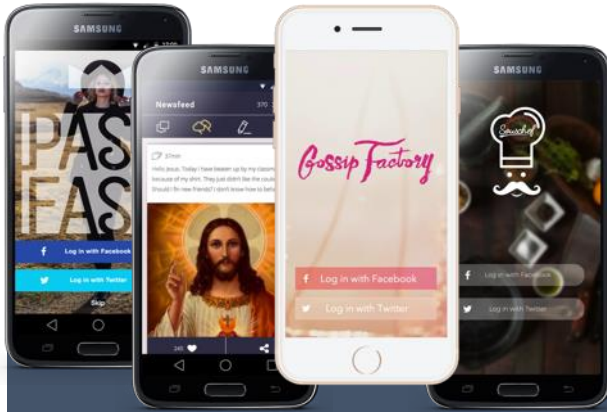
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Question & Answer (Q&A)



# Question & Answer (Q&A)

We provide expert answers to any question within minutes



Crowd Mobile develops engaging mobile products that seamlessly connect those seeking answers with experts qualified to give them



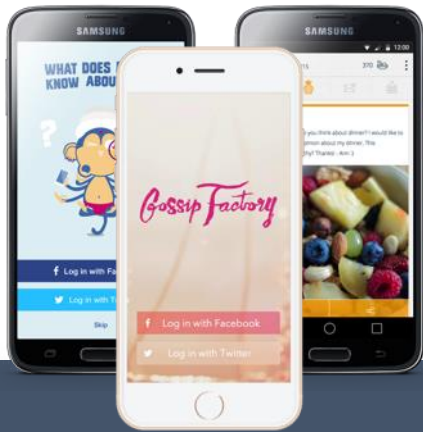
From travel to fashion, our products extend across multiple verticals reaching a diverse range of consumers around the world



Uptake is driven by people seeking on-demand expert advice beyond Google

# How Q&A Works

Expert advice in your pocket



Questions are asked through our custom mobile applications, mobile sites & SMS and are sent directly to our **Crowd Expert Engine**



The **Crowd Expert Engine** is a proprietary “micro-job” platform which allows people to earn money by answering questions that take 10 minutes or less



Seamless m-payment is then processed through Crowd Mobile’s Telco partners/Apple/Google - faster and more convenient than credit cards for users

# The Crowd Expert Engine:

A custom-built platform powering our Q&A business

The Crowd Mobile Globally Distributed Workforce



Over 1,000 Experts

30+ languages

24/7 platform manages all tasks globally

Over AUD\$2.5m paid to our Crowd Experts in last 12 months

Launched an API which allows integration into 3<sup>rd</sup> party Apps

“Crowd Mobile Powered”  
3<sup>rd</sup> Party Apps



= Scalable, wider  
distribution & adoption



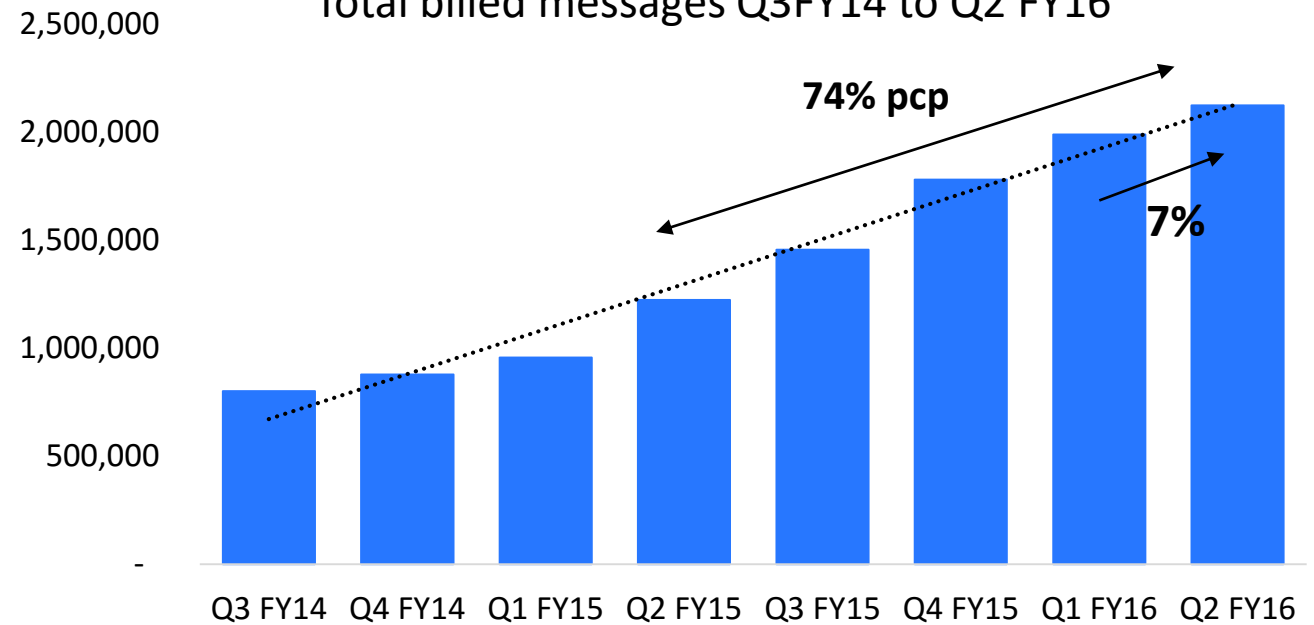
# Hyper Uptake

Strong tailwinds delivering consistent growth



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## Eight Quarters of Consecutive Growth: Total billed messages Q3FY14 to Q2 FY16



5.7 million billed messages last year

Reaching over 2 million paid messages per quarter

Over 8 million billed messages current year run rate

Average Billed Messages per Customer over Lifetime = 6.5

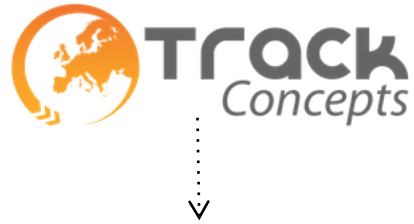
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## Mobile Content Subscriptions



# Mobile Content Subscription

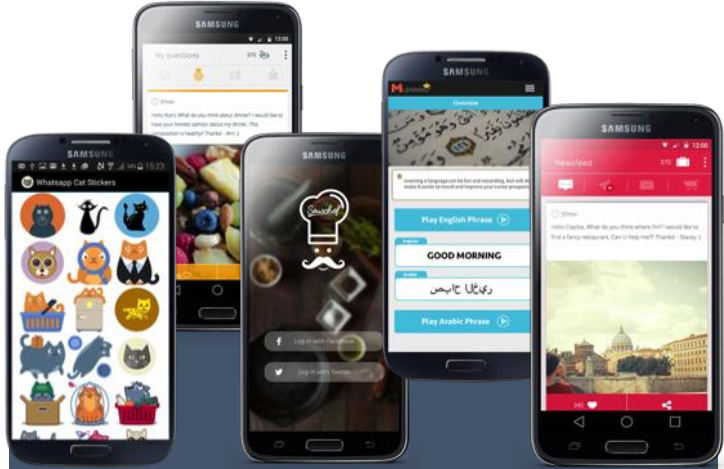
The acquisition of Track provides an enhanced global distribution network & subscription revenue stream



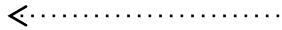
<p><b>Downloads</b></p> <ul style="list-style-type: none"> <li>Downloads consists of content that consumers can download for a fee</li> <li>Content includes games, ringtones, music and videos</li> <li>Downloads available on web, mobile and apps</li> </ul>	<p><b>Apps</b></p> <ul style="list-style-type: none"> <li>Apps contains applications for consumers' smartphones.</li> <li>Capability in both iOS and Android for maximum distribution</li> </ul>	<p><b>Entertainment</b></p> <ul style="list-style-type: none"> <li>Entertainment primarily consists of HTML5 games, music &amp; videos that consumers can play, watch or listen.</li> <li>Games represent a high value segment</li> </ul>
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Crowd Mobile now delivers mobile content to millions of consumers within Europe, Americas, Africa & APAC.



The Track acquisition provides financial scale, but allows Crowd Mobile to accelerate its mobile content & m-payment roll-out across an immense global distribution network

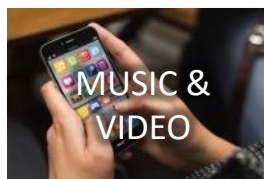


# How Does Content Subscription Work

A seamless journey to entertainment and security content



Crowd Mobile promotes mobile products across targeted websites and via marketing agencies



Consumers opt-in, fill in their mobile number and receive engaging content and entertainment within seconds



Crowd Mobile then pays a fee to the marketing agency for every new subscriber acquired



We receive recurring revenue through these weekly subscribing payments and now have relationships with gateways & 160 Telco's across 50+ countries



Telco operators receive payments and earn a percentage of the fee. Crowd Mobile receives between 15% and 65% depending on the country and Telco operator

We are **achieving** strong financial results...

# Key Financial Highlights 1H–FY16

Record results and significant increases in all key financial metrics



**Half year revenue  
Increased 153% to \$14.0m**



**Underlying EBITDA jumped  
89% to \$2.2m**



**Positive Operating Cash flow  
up 1,500 % to \$3.2 million**

Strong growth in the underlying business is due to growing popularity of Question & Answer (Q&A) products and expansion into new markets

Recent Track (Subscription) acquisition has contributed positively to revenue, earnings and cash flow

Results include only 2x months of Track

July 15

August 15

September 15

October 15

November 15

December 15

# Key Financial Highlights 1H–FY16

Run Rate for Dec-15 Quarter

Revenue \$9.5m

Underlying EBITDA \$2.4m

Positive Operating Cash  
flow of \$3.5 million

Management expects growth momentum to continue into 2H-FY16 due to growing popularity of our Q&A products and strong earnings contribution from our Subscription business for a full 6 months (instead of 2 months in 1H-FY16).

# 1H-FY16 Profit & Loss (AUD)

Strong Revenue & Underlying EBITDA growth

	Dec 2015	Dec 2014	Change
Message volumes (million)	4.1	2.2	↑ 86%
Revenue (\$m)	14.0	5.5	↑ 155%
Gross Profit (\$m)	10.4	3.7	↑ 181%
Statutory EBITDA	(0.1)	0.9	↓ 111%
Underlying EBITDA (\$m)	2.2	1.2	↑ 83%
NPAT (\$m)	(0.8)	0.4	↓ 300%
<b><i>Underlying adjustments (\$m)*</i></b>			
<i>Share-based payments for financing*</i>	0.4	-	
<i>Share-based payments for incentive plans</i>	1.0	-	
<i>Transaction costs for acquisitions</i>	0.9	0.2	

- Strong growth in message volumes is driving revenue
- Track Revenue, Gross Profit, EBITDA & Cash flow contributing strongly to consolidated results (only 2 months included)
- Consistent EBITDA margins steady and improving despite step up for public listed costs
- Record run-rates for Q2-FY16
  - Revenue \$9.5m
  - Underlying EBITDA \$2.4m
  - Operating Cashflow \$3.5m
- Positions CM8 for record 2H-16

\* Rounded up & \*\* December 2014 is when Crowd Mobile was operating as a private company



# Balance Sheet & Cash flows

## 1H-FY16 Strong Operational Cash flow conversation

Balance sheet*	Dec 2015	June 2015
Cash on hand (\$m)	5.9	1.8
Total assets (\$m)	54.9	7.2
Debt (\$m)	17.7	0.2
Total liabilities (\$m)	35.2	4.6
Net assets(\$m)	19.7	2.7

Cash flows*	Dec 2015	Dec 2014
Receipts from customers (\$m)	16.8	5.3
Payments to suppliers/employees (\$m)	(13.0)	(5.0)
Net interest & tax	(0.6)	(0.1)
Net operating cash flows (\$m)	3.2	0.2
Net investing cash flows (\$m)	(13.1)**	(0.0)
Net financing cash flows (\$m)	14.1 ^	(0.3)
Net cash movement (\$m)	4.2	(0.1)

- \*\* Net of Cash Acquired for Track of \$4.2m
- ^ \$11.4m raised through net proceeds from shares, \$2.9m in debt & (\$0.2m) other

\* Rounded to the nearest '000's

# Debt Details – at 31 Dec 15

Focus on retiring debt and refinancing

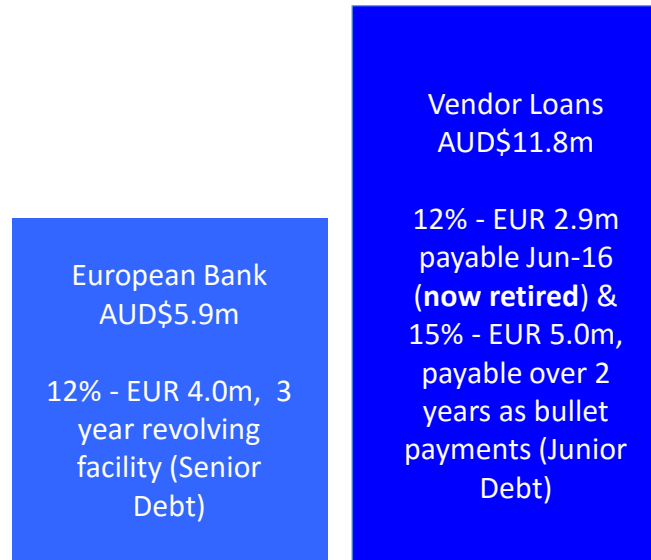


The Track acquisition was funded via share placement and debt.

Debt in a low interest rate world has minimised dilution for our shareholders.

Crowd Mobile is a profitable business which allows us to service this debt.

.....> **Debt of AUD\$17.7m (Euro 11.9m)**  
\$13.4m Current  
\$4.3m Non-Current  
**Interest Cover >4.5x**



In Jan-16 the European Bank extended EUR 3.0m to pay down Vendor Loans (12% @ 3 years)

Interest coverage at 4.5x for 1H-FY16 and 5.0x moving forward

Currently negotiating term sheets for refinancing debt on more favourable terms. Majority of Crowd Mobile revenue is in EUR, hence there is a natural hedge.

Earn out payment - \$6.4m (PV) - as EUR 2.0m in Jan-16 (paid from cash reserves) & EUR 2.5m in Jun-16

Positioned for growth in 2016...

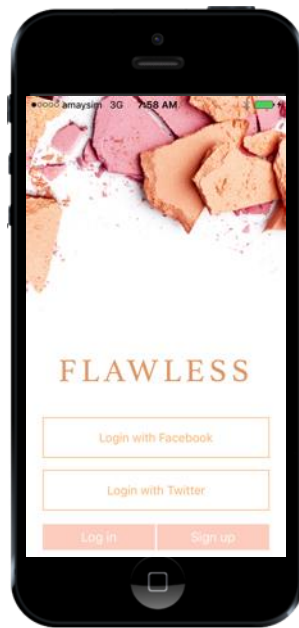
# Expanding Product Portfolio

Already 5x new releases this year

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Relationship & Celebrity Gossip



Real time Make-Up Advice



On-demand cocktail Q&A with thousands of recipes



The 'Hillary' app has been a white-label partnership with the French reality TV star. White-label development is a core component of Crowd Mobile's growth strategy



Germany's favorite Q&A app

# Continue the Roll-out of New Products

Freedom to create a diverse and engaging portfolio of mobile products (eg. Health Vertical)

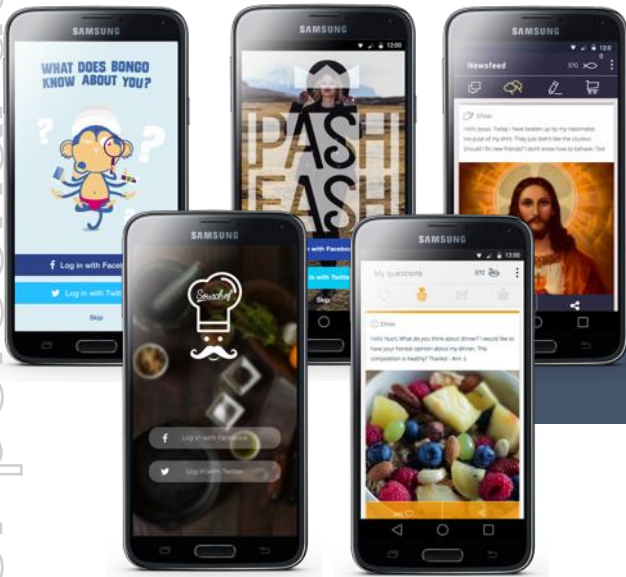
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Q&A products can be anything on a continuum from entertainment and infotainment to professional services with corresponding increases in price points to customers. We are also expecting to increase our target group to a broader age demographic.

# Expansion into Asia

Setting up for a new growth phase



Crowd Mobile executed agreements to launch into Asian countries including India, Philippines, Thailand and Indonesia, as the company continues its global expansion strategy



Our expansion in Asia marks a new phase of growth for Crowd Mobile. The region represents a very exciting growth opportunity with the emergence of smartphone usage. Mobile phone penetration in Asia is at around 40% currently and by 2019 is expected to be at around 52%



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# Expanding Third Party Product Strategy

Partnerships with brand ambassadors or product joint ventures

Focus on products to promote with third parties

Centred around known brand and events

Revenue-share with the brands signed

Numerous other partnerships in the pipeline inc API integrations

Recent Geordie Shore (Gaz) & Dapper Laughs deal has social reach of 7m people



Crowd Mobile can offer white label mobile applications that allow anyone from world famous celebrities to sports teams to interact in real-time with their fans.

# Double Our Global M-Payment Network

Expand into new regions and increase the addressable market



Crowd Mobile's customers can harness our seamless m-payment platform to purchase direct from Telcos around the world



Crowd Mobile currently has partnerships with 160 Telcos across 50+ countries



Our goal is to double this footprint in line with our mobile product expansion so customers can enjoy a faster and more efficient payment system over credit cards

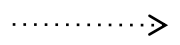


# Acquire Strategically Relevant Companies

Growing customers, products, territories or relationships



Crowd Mobile's strong cash flow puts us in a unique position to acquire strategically relevant companies



Corporate Snapshot

# Corporate Snapshot

ASX Code: "CM8" & FWB-XETRA: "CM3"

Ordinary Shares on Issue	154.4m
Options @ Various (25cents to 39cents)	33.5m
Market Cap (@ 27.0 cents - \$AUD)*	\$41.7m
Cash at Bank (\$AUD) as at 31/12/15	\$5.9m
Debt (EUR11.9m) – as at 31/12/15	\$17.7m
Debt Interest Cover	4.5x
Enterprise Value	\$54.3m
Share price change since Jan15 IPO @ 20c	+35%

CROWD FPO  
CM8.AX



\*Closing price at 26<sup>th</sup> February 2016

Exchange rate = \$AUD 1.00 = EUR 0.671 as at 31 December 2016

# Peer Analysis

Trading on an attractive valuation

	CrowdMobile	Mobile Embrace	iSentric	Freelancer	MigMe
Ticker	CM8*	MBE**	ICU**	FLN***	MIG***
Description	m-Content & m-payments	Integrated m-payments & marketing	m-payments and digital media	Online outsourcing marketplace	Mobile social entertainment
FY15 Revenue (\$M)	48.5*	56.0	10.9	38.6	6.0
FY15 EBITDA (\$M)	14.5*	8.2	2.8	-2.0	-15.0
Share Price (cents)	27.0c	30.5c	12c	134c	58c
Market Cap/EV (\$M)	54.3m*	120m	16.2m	604m	158m
Revenue Multiple	1.1x	2.1x	1.5x	15.6x	26.3x
EBITDA Multiple*	3.7x	14.6x	5.7x	N/A	N/A

Note: All share prices as at closing 26<sup>th</sup> February 2016 taken from ASX and in \$AUD

\* CM8 – Annualised extrapolation of the unaudited run rate results from Nov-15 & Dec-15 when excluding shared based payments. CM8 Market cap = Enterprise Value

\*\* MBE & ICU – Annualised 1H-FY16 financial report;

\*\*\* FLN results for FY15 Calendar year & MIG results 1H15 4D annualised (excluding share based payments)

# Board of Directors

## Global Experience and Expertise



Theo Hnarakis (Non Executive Chairman)

Brings a wealth of experience working in the media industry and scaling Australian ASX listed technology businesses. He graduated from The University of SA with a Bachelor of Accounting and has held senior roles with News Corporation, Boral Group, PMP and was the Managing Director and CEO of Melbourne IT until 2013.

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Domenic Carosa (Executive Director & Group CEO)

Over 20 years of experience in technology and ASX listed companies including building destra into the largest independent media & entertainment company in Australia with revenues of over \$100M and leading an early stage Venture Capital firm that invested into Internet Upstarts. Domenic is also past Chairman of the Internet Industry Association and holds a Masters of Entrepreneurship & Innovation from Swinburne University.

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Hans de Back (Executive Director & Track CEO)

Has significant experience across multiple high-technology industries including mobile, gaming, and social media. He holds a Masters degree in corporate law from Amsterdam University and has extensive international experience having worked with companies Globally. Mr. de Back is currently the Founding Partner at Incubasia Ventures working with innovative and scalable technology companies.

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Sophie Karzis (Company Secretary)

Member of the Law Institute of Victoria and the Institute of Chartered Secretaries. She is a practising lawyer with over ten years experience as a commercial lawyer, and company secretary and in house counsel for a number of private and public companies.

# Top 30 Shareholders

Holder Name	Balance at 27-02-2016	%
D.S.A.H. HOLDINGS PTY LTD	15,275,000	9.868
DOMINET DIGITAL CORPORATION PTY LTD <CAROSA FAMILY A/C>	10,936,624	7.065
IBERA B V	7,692,570	4.969
Q HOLDINGS B V	7,692,570	4.969
DOMINET DIGITAL INVESTMENTS PTY LTD <DOMINET DIGITAL INVE S F A/C>	7,139,016	4.612
DSAH HOLDINGS PTY LTD	3,209,045	2.073
NATIONAL NOMINEES LIMITED	2,790,025	1.802
JIWA NADAN	2,773,675	1.792
DJ CARMICHAEL PTY LTD	2,300,000	1.486
MR JOHANNES RUDOLF DE BACK	2,000,000	1.292
DOMINET DIGITAL CORPORATION PTY LTD <THE CAROSA FAMILY A/C>	2,000,000	1.292
AUSTRALCO SUPER INVESTMENTS PTY LTD <HNARAKIS FAMILY S/F A/C>	1,976,275	1.277
MSANNA.COM PTY LTD <ANNA CAROSA FAMILY A/C>	1,844,894	1.192
MR JARRAD ROBERT STUART <STUART INVESTMENT A/C>	1,750,000	1.131
TIGER DOMAINS PTY LIMITED	1,602,738	1.035
MR GEORGE STEPHEN PEMBERTON	1,544,300	0.998
MR JOHN XYDIAS	1,374,865	0.888
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,330,257	0.859
ARMCO BARRIERS PTY LTD	1,283,000	0.829
SAM EQUITY PTY LTD	1,120,000	0.724
MR MARK DOUGLAS HOLMES	1,000,000	0.646
MASALI PTY LTD	1,000,000	0.646
MR TIMOTHY JAMES NEALE	960,000	0.620
MARKOVIC FAMILY NO 2 PTY LTD	845,333	0.546
MRS LISCHA CARLEEN SHAW	818,689	0.529
MERINDA MIP PTY LTD <MCorp 1 ACCOUNT>	803,278	0.519
MR WILLIAM CAMERON CAPE	799,000	0.516
MR A YNGARAN KAILAINATHAN	690,000	0.446
KAINE VAN DE COEVERRING	676,858	0.437
MR MARTIN MING LIN	660,000	0.426
	85,888,012	55.485
	<b>Total of Securities</b>	<b>154,795,893</b>

Board/Management = circa 20%

Track Vendors = circa 10%  
(escrowed until October 16)

# Participate in the Future of Mobile Entertainment and Mobile Commerce

Contact

Domenic Carosa

[dom@crowdmobile.com](mailto:dom@crowdmobile.com)



# Disclaimer & Non-IFRS Information

## Disclaimer

- The material in this presentation has been prepared by Crowd Mobile Limited (ASX: CM8) ("CM8") and is general background information about CM8's activities current as at the date of this presentation. The information is given in summary form and does not purport to be complete.
- In particular you are cautioned not to place undue reliance on any forward looking statements regarding our belief, intent or expectations with respect to CM8's businesses, market conditions and/or results of operations, as although due care has been used in the preparation of such statements, actual results may vary in a material manner.
- Information in this presentation, including forecast financial information, should not be considered as advice or a recommendation to investors or potential investors in relation to holding, purchasing or selling securities.
- Before acting on any information you should consider the appropriateness of the information having regard to these matters, any relevant offer document and in particular, you should seek independent financial advice.

## Non-IFRS Financial Information

- CM8's results are reported under International Financial Reporting Standards (IFRS). This presentation also includes certain non-IFRS measures including, "proforma", "underlying" and "look through". These measures are used internally by management to assess the performance of our business and our associates, make decisions on the allocation of resources and assess operational management.
- Non-IFRS measures have not been subject to audit or review. All numbers listed as reported comply with IFRS.