

ASX Announcement | 26 April 2017  
Crowd Mobile Limited (ASX:CM8)

## Crowd Mobile Reports Strong Third Quarter Momentum Building into FY2018

### Third Quarter Financial Highlights

- Revenue of \$10.8 million
- Underlying EBITDA of \$3.0 million
- Continued Positive Operating cash flow generation
- Net Debt of \$3.4 million post Completion of Placement

### Third Quarter Operational Highlights

- Q&A: Record billed message volumes - 3.7 million
- Q&A: Record revenue month - increase of 15% above prior best month
- Subscription: Diversifying business model and stabilised core
- Digital Influencer (DI) Commerce: Established DI Agency identity, Crowd Media [www.crowdmedia.com](http://www.crowdmedia.com) and secured first advertising campaign Insertion Order

**Wednesday, 26 April 2017** - Crowd Mobile Limited (ASX: CM8 & FWB-XETRA: CM3, Crowd Mobile or the Company) is pleased to report its unaudited Third/March Quarter results for the three months to 31 March 2017. The Company achieved its strongest total operating cash flow quarter so far in FY17, increasing by \$0.5 million from the prior quarter to \$1.60 million. Revenue growth, profit margins and cash flow all accelerated in the Q&A division during the March quarter while the Subscription division continued to stabilise.

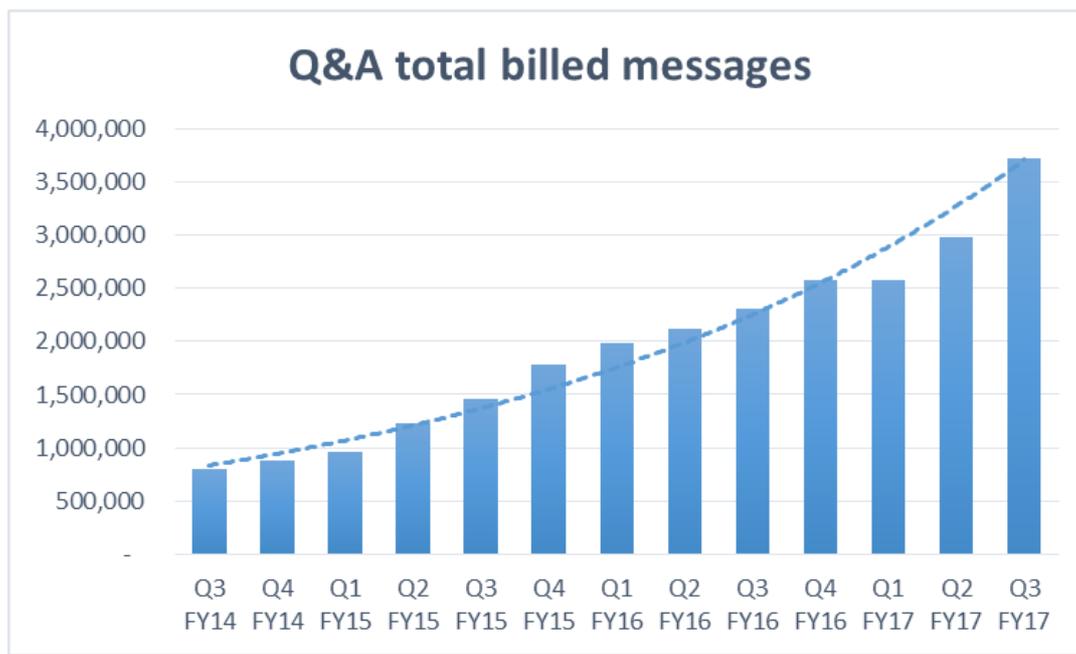
### Q&A Division | Strong quarterly and year-on-year growth

Crowd Mobile's Q&A division generated record billed message volumes of 3.7 million in the March quarter, increasing 60% compared with the same quarter of the prior year (FY16) and increasing 24% compared with the second quarter of FY17.

The result was achieved on the back of very strong traction across the global portfolio, including delivering new record monthly message volumes and revenues in the Digital Influencer customer acquisition channel.

Operating margins improved in the March quarter as Artificial Intelligence and ChatBot initiatives continued to improve gross profitability and the returns on marketing investment increased from lower customer acquisition costs.

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#### **Subscription Division | Diversifying business model and stabilised core**

Customer volumes and general financial performance for the Subscription division continued to stabilise in the March quarter. Management is working diligently on lifting performance through refreshing fundamentals and delivering improved innovation and diversification in the Subscription business, including leveraging the subscription & mobile payments technology into the Digital Influencer space.

Several new product initiatives and market opportunities were identified and initiated during the March quarter however, the extent and timing of their impact on the divisional financial results is not expected until FY18.

#### **Digital Influencer Division | Building for the future with Crowd Media**

Crowd Mobile continued Investing in its Digital Influencer technology platform that includes an Influencer Relationship Manager Platform to help manage digital influencers.

Furthermore, it established a Digital Influencer Agency, Crowd Media [www.crowdmedia.com](http://www.crowdmedia.com) and secured first advertising campaign Insertion Order.

#### **Cash & Net Debt Position | Improves net debt position**

On 20 April 2017, the Company announced the completion of a placement of \$5.4 million. It is expected that once the placement funds are received, Net Debt will be circa \$3.4 million.

The Company confirms that if the existing outstanding JGB Convertible Note principal continues to be paid in cash only, the facility is projected to be fully repaid by February 2018, however the Company is working on extinguishing the facility earlier. The Company will keep the market informed on progress of this.

**Crowd Mobile's Chief Executive Officer, Domenic Carosa:** "Crowd Mobile is pleased to report a strong quarterly performance. Our Revenue at \$10.8 million, Underlying EBITDA of \$3.0 million and Positive Operating Cash Flow have grown from the prior quarter.

Crowd Mobile remains on track to deliver an improvement on all our key performance indicators for FY17 and set a strong foundation for FY18.

We are excited about the significant growth opportunity ahead, especially within the Digital Influencer space and look forward to sharing developments with shareholders."

To learn why Crowd Mobile is investing in Digital Influencers please click to view:

<https://tinyurl.com/l8xgcoe>

## Ends

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#### About Crowd Mobile

Crowd Mobile is a mobile-first company with a world-leading 'Q&A' platform, providing personalised expert advice, and a subscription service giving users access to games, infotainment and security products. We operate across 54 countries and 30 languages and have partnered with more than 160 mobile carriers, allowing users to pay for products and services through their mobile phone or with Google or Apple Pay. Crowd Mobile has developed a diverse range of products in the m-payment, entertainment and infotainment space and is listed on Australian and German stock exchanges (ASX:CM8, FWB-XETRA:CM3).

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