



crowd mobile

ASX Announcement | 28 November 2018 Crowd Mobile Limited (ASX:CM8)

Chairman's Address to Shareholders 2018 Annual General Meeting

Good afternoon ladies and gentleman. My name is Theo Hnarakis, and I am the Non-Executive Chairman of Crowd Mobile Limited. It is my pleasure to welcome you to the Company's Annual General Meeting.

The FY2018 financial year was a challenging year and this has somewhat continued through to the start of FY19. We have been dealing with the changing regulatory framework around our Mobile division and continued investment in our Media division which will contribute to a small loss for the FY19 December half.

The 2018 financial year was the beginning of our transition from a product centric company to a platform company focused on the growing digital media and influencer sector where we are starting to see a number of green shoots including growth of revenues for the FY19 December half to \$1.25m (which is up 250% from \$0.5m the year before).

In FY2018 we had stable performance within the Q&A division and stabilisation of our Subscription division. Along the way, we made a significant dent in the repayment of our debt which we are in the process of refinancing and on which we expect to update the market shortly.

Our new division, Crowd Media, is focused within the growing digital influencer sector – the only one of its kind run by an Australian listed company.

To reinforce our focus on the growing digital media space, we will look to rename the company Crowd Media Holdings Limited subject to shareholder approval.

Annual Overview

During the financial year, Crowd Mobile delivered positive financial results.

The Q&A division, a global network that connects those seeking answers with experts, ended the year with revenue of \$24.7 million - flat on the previous financial year.

Meanwhile, the Subscription division, which delivers mobile content such as games, apps and video to millions of customers worldwide, achieved revenue of \$13.3 million.

The Company did write down the value of the Subscription division to zero albeit the business is still delivering small profits.

Crowd Mobile used its Q&A division to incubate Crowd Media, an initiative we see as a key opportunity going forward. Crowd Media delivered \$0.5m revenue in its first year (FY18) and as

CROWD MOBILE Ltd

ACN 083 160 909

crowdmobile.com

AMSTERDAM

95B Piet Heinkade
1019 GM Amsterdam
Netherlands

MELBOURNE

Level 4, 44 Gwynne St.
Cremorne, VIC 3121
Australia

previously announced to the market, we expect Crowd Media revenues to be circa \$1.2m for the December half, up 250% from the prior year.

Crowd Media is currently executing over 200 influencer campaigns a month and to date has worked with over 10,000 influencers. It is estimated that brands will spend up to \$10 billion per year on influencer marketing by 2020 and through Crowd Media, we are well-positioned to capitalise on this trend.

The Q&A and Subscription division results were important in assisting our continued debt repayment which effectively reduced our net debt from \$2.8m at June 30 2017 to \$1.6m at the end of September 2018.

Crowd Mobile has continued to partner with telecommunications companies all over the world, giving us access to their billing platforms and allowing the rollout of our mobile payment technology. Our global footprint has continued to expand, with our products now available in over 50 countries and 30 languages.

Outlook

We are excited about our Crowd Media division and we are focused on growing the monetisation aspect of our social media and digital influencers platform.

Earlier this calendar year, we strengthened our senior management team with the appointment of a new CFO and the newly created position of COO. We have an excellent team in place and a Board that is committed to guiding the Company with a steady hand. Our management team is strong, and we enjoy a healthy corporate culture brimming with innovation and positivity.

I will now hand over to Domenic Carosa, our Chief Executive Officer, who will be presenting the Company's future strategy for the 2019 financial year in further detail.

On behalf of the Board, I'd like to thank you, the shareholders, for your ongoing support. In closing it is my pleasure to also thank the Company's Board of Directors and the management team who are working tirelessly to improve the company's revenue, productivity and outlook.

Ends

For further information, please contact:

Crowd Mobile

Domenic Carosa

Chief Executive Officer

M: +61 411 196 979 / +31 611 227 235

E: dom@crowdmobile.com

Media enquiries

Julia Maguire

The Capital Network

M: +61 419 815 386

E: julia@thecapitalnetwork.com.au

www.crowdmobile.com

About Crowd Mobile

Crowd Mobile Limited (ASX:CM8) is a global technology company creating digital platforms, building mobile products and working with digital influencers to make customers smile.



crowd mobile

Crowd Mobile's business consists of three divisions: Q&A, Subscription and Crowd Media. The Q&A division connects those seeking answers with qualified experts, the Subscription division delivers mobile content including games, apps, music and video and the Crowd Media division is focused on the digital marketing industry. Crowd Media includes [Crowd.Agency](#) a digital influencer marketing agency and [Crowd.ly](#), an influencer commerce platform. All of the company's divisions are underpinned by its mobile payments and distribution network.

Crowd Mobile's networks are strengthened by its partnerships with hundreds of mobile carriers and some of the world's largest agencies, brands and media companies. The Q&A and Subscription divisions operate in over 60 countries and 30 languages and Crowd Media has worked with over 6,000 digital influencers worldwide. Crowd Mobile is listed on Australian (ASX:CM8) and German (FWB: CM3) stock exchanges. To learn more please visit: www.crowdmobile.com.

CROWD MOBILE Ltd

ACN 083 160 909

crowdmobile.com

AMSTERDAM

95B Piet Heinkade
1019 GM Amsterdam
Netherlands

MELBOURNE

Level 4, 44 Gwynne St.
Cremorne, VIC 3121
Australia