

Chairman & CEO's Message



Dear Shareholders,

This year's highlights were about signing new contracts, renewing major customers and launching new services globally. Following an encouraging upward trend we have renewed contracts over 200M\$ of our current business, to be carried out in the next five years, as well as signing over 35M\$ of new business to be accounted in our revenues over the next three years.

Our investments in product development are yielding results. Last year's introduction to videos and sports has led us to deploy a variety of new services in many different languages and countries. This year we launched digital contests, kid's applications and games clubs. Digital contests got the first deployments outside of India with high demand in the Middle East. The kid's application successfully debuted in Europe. It focuses on video, games and music, especially curated for children. Finally, games had so much traction from operators globally that we acquired Appland.

This platform makes it possible for us to rapidly deliver games clubs in every targeted region. We expect in the next two years, to have over 100 profitable games clubs and new services. Each of these services will represent only approximately one-tenth of our mature business in their first year's revenues. We forecast that by the three-year mark, the new services revenues will be at cruising speed.

As for tones, our flagship product, we did significant upgrades to the app this year, becoming a music service and adding key features such as video tones. The engagement and virality are booming and our focus is to ensure that more of our subscribers download the smartphone app. We are also quite positive about the soon to be launched advertisement based services, which will add to our subscription revenues and drive subscribers' growth.

Our global revenues for the year were of INR 5939 million and EBITDA of INR 358 million. Most of the revenue decline was in India, which now represents only 16% of total revenue as compared to 22% a year ago. However, considering our new deals not only with mobile carriers but also with handset manufacturers, OTT players and wallet providers, we believe Indian revenues will stabilize for the coming year without impairing our global growth.

Lastly, I want to thank our 760 employees for their dedication and continuous efforts to bring efficiencies while building OnMobile as a global leader in Mobile Entertainment. A special thanks to all our shareholders for their continuous support. I remain very confident that our investments will reflect clear value. The company has great assets, a solid cash position of INR 2510 million and so many good opportunities that will materialize in the near future.

François-Charles Sirois
Executive Chairman & Chief Executive Officer