

Scaling New Heights  
**GLOBALLY**

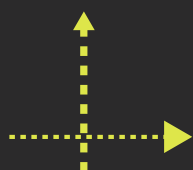
Annual Report | 2013





# Table of Contents

<b>01</b>	Scaling New Heights Globally	<b>34</b>	Directors' Report
<b>11</b>	Chairman's Message	<b>42</b>	Management Discussion and Analysis
<b>13</b>	Product Lines	<b>50</b>	Independent Auditors' Report
<b>16</b>	Corporate Information and Board of Directors	<b>55</b>	Financial Statements
<b>17</b>	Subsidiaries and Branches	<b>94</b>	Independent Auditors Report on the Consolidated Financial Statements
<b>20</b>	CEO and CFO Certification	<b>95</b>	Consolidated Financial Statements
<b>21</b>	Report on Corporate Governance	<b>123</b>	Statement Regarding Subsidiary Companies
		<b>125</b>	Notice



## SCALING NEW HEIGHTS: **GLOBALLY**

OnMobile Global Limited has been a pioneer in the Mobile Value Added Services (MVAS) industry and a market leader in the space ever since its inception 13 years ago. With services in 59 countries and 1800+ employees around the world, OnMobile has created a niche for itself in the Mobile VAS realm and is highly regarded as the 'Partner of Choice' by telecom operators around the world.

The company was publicly listed in 2008 and has acquired Voxmobili (2007), Telisma (2008), Dilithium Networks (2010) and Livewire Mobile (2013).







# LatAm



*"Going through the data from our mobile operator customers and the KPIs we use to measure the success of business, the number that jumped out immediately was 9 out of 10 - the highest rating from customers for consumer satisfaction in Latin America for any services. OnMobile is most proud of that number."*

## David Fondots

Vice President & Head, Europe & LatAm

2012-13 has been a landmark year for OnMobile in Latin America. Our ringback tones are playing on 15.2 million mobile phones across 14 countries, and other key products like Network Address Book, sports, chat, dating and music services are available across the continent through our partnership with 15 operators.

### Notable Achievements:

- This year, we have expanded our ringback tone presence in Brazil with Oi. The selection of OnMobile by Oi was after a rigorous RFP process to replace one of the leading competitors and other competitors who were all lower in price than OnMobile. We were selected due to our proven track record in this market.
- The network address book is becoming popular with our consumers across Latin America. The newest operator to launch our service is Telefonica Movistar in Argentina.
- We used SAT Push, a new push channel, to get music to our Movistar customers in Argentina. With a whopping 9% conversion rate, we more

than doubled the song downloads in one year.

### The OnMobile Advantage:

- More than a VAS vendor, OnMobile is looked up to as a trusted advisor by operators in the Latin American market. This means we are able to work closely with the operator to understand their challenges and apply our best practices to connect with consumers and fulfill their needs and desires.
- Getting the right content in place is key to our success, and in this field, we have managed to excel in this market. We have developed strong relationships with content providers which gives us a competitive edge over other players.

### The Learning Curve:

When you set out to conquer a continent with limited resources and a small team, the secret of success lies in Planning. This has been the year of planning for OnMobile in Latin America, and through the power of foresight and good management, we have been able to make remarkable breakthroughs.



# Africa

*"The 'think global act local' approach has worked wonders for us in Africa. When the technical muscle of an established international player is supplemented with deep cultural insights and expert user profiling, every new deployment becomes quicker, leaner and more successful from the word go."*



## Biswajit Nandi

Senior Director - Business Development, Africa

OnMobile's African safari continues to be a resounding success, as more countries, more products and more local expertise continue to be added to our portfolio everyday. From 8 countries last year, we have extended our services to 14 countries and our team is exploring more promising opportunities in new countries. Nearly 95 million people across the continent now have access to OnMobile's technology and products, making their lives simpler, more informed and more musical every day.

### Notable Achievements:

- Music services (Ringback Tone, Digital Music Download) have been live for 18-24 months and the average penetration is between 15%-30% across countries.
- Digital Football has been live for 6 months, and already has a penetration between 5%-10%.
- Phone Backup and Agriculture Information are the next big rollouts on the cards, and are generating considerable interest.
- Two new countries will be added to our portfolio

soon.

### The OnMobile Advantage:

- We are focused on and committed to the VAS business in Africa, and our promises are backed by the financial investments which we are making in the region for a long-term relationship.
- We have hired and set up service teams for business, technology & operations for the customers and our agile processes enable us to scale up the team very quickly.
- Our product developers are constantly innovating, and have the insights and knowledge of local experts across Africa to guide them in customizing their offerings for the African market.
- We are creating and nurturing talent to ensure that more than 85% of our employees in Africa are local.
- We have set up subsidiaries or branches in 14 countries to ensure that we are complying with the local laws and regulations in each of the countries.
- By virtue of having deployed across 14 countries, we have a very comprehensive knowledge of how

to deploy services in the challenging continent of Africa.

- We are working with more than 50 local content providers to ensure that our services are complemented by the right content to make it a valuable proposition to the consumers.

### Challenges:

Managing costs and operations were some of our biggest challenges in Africa this year. The African market has no parallel in the developing world, and so we must develop, constantly monitor, and swiftly adapt our market approach based on infrastructure challenges. Balancing costs with innovation is another area we are working on diligently, in order to build

scalable and sustainable solution for this market.

### The Learning Curve:

The rich and traditional culture of African nations is fascinating to observe as a tourist but when you are trying to meet the needs of the people, you need the expertise of local talent. OnMobile firmly believes in understanding the culture of the geographies we operate in, and customizing our solutions and offerings to complement the people we are reaching out to. The past year has been a year of striking the right balance between leveraging the insights of our African employees and utilizing the expertise of our expat team on site, to come up with the best and most culturally appropriate versions of our offerings.





# North America



*"Unlike traditional internet-based social networks that are typically firewalled for work, fun, or social, the person's address book has no such boundaries; work colleagues, close friends, college and high school buddies, loved ones, and new acquaintances all co-exist on the address book. OnMobile's solutions enable the mobile operators to ensure these contacts remain protected and synchronized across their customers' devices."*

**Ron Longo**  
Vice President Sales, North America

OnMobile has dramatically increased its presence in the North American mobile market in 2012.

## **Notable Achievements:**

OnMobile deployed its cloud-based Network Address Book for Roger's One Number™ product, a breakthrough service that lets subscribers use Roger's wireless number for unlimited talk, texts and video calling Canada-wide from their computer, tablets and handsets. OnMobile provides the platform that ensures all contacts are synchronized and accessible across all the subscribers' devices, and also develops and supports client applications for Android, iOS, and Windows platforms at Rogers.

Additionally in 2012, OnMobile deployed its cloud-based Network Address Book at AT&T to provide contact management, synchronization and

communication enabling services. OnMobile certifies all of AT&T's handsets using the platform to ensure interoperability. OnMobile also develops and supports mobile client applications for AT&T across multiple mobile platforms.

These deployments, coupled with OnMobile's existing deployments at T-Mobile USA, Cox, Yahoo, and Time Warner, firmly establishes OnMobile in the North American mobile market with over 30 million active subscribers on its platforms.

## **The OnMobile Advantage:**

OnMobile's Address Book technology is built on highly scalable infrastructure and uses standards based protocols such as SyncML. This ensures that even the largest wireless operators can deploy OnMobile's technology in a manner that is highly cost



effective, using minimal servers and infrastructure resources. Use of open standards ensures quick and easy integration. OnMobile's technology is designed to be quickly ported to new operating systems and phones ensuring wireless operators keep up with the rapid progress of mobile devices.

OnMobile focuses on minimizing redundancy and facilitates rapid deployment of products and services. For example, both the core synchronization platform and database used by OnMobile's Network Address Book are agnostic to payload. This approach allows OnMobile's technology to synchronize any type of content including contacts, calendar events, photos, videos, SMS and call logs.

OnMobile's technology has been hardened by the widest range of real world environment – from the rigors and connectivity limitations of a feature phone operating in rural India to the most sophisticated and advanced feature phone that accesses 4G LTE in Europe or the US.

#### The Learning Curve:

OnMobile has learnt and put into practice a philosophy of user simplicity. For OnMobile's Address Book this means the ultimate in simplicity. Users simply switch on their phone and the Address Book synchronization technology works without any user interaction. They simply enter an address into their address book and OnMobile's technology ensures their contacts are seamlessly synchronized across devices. There is no complex installation or setup, and the entire operation is automatic. For those wanting to fine tune configuration, simple preference options are available. OnMobile's 'keep it simple' philosophy combined with its non-invasive white label branding, ensures that wireless operators can leverage app reference designs that minimize clicks and deliver a cleanly designed easy-to-use interface.

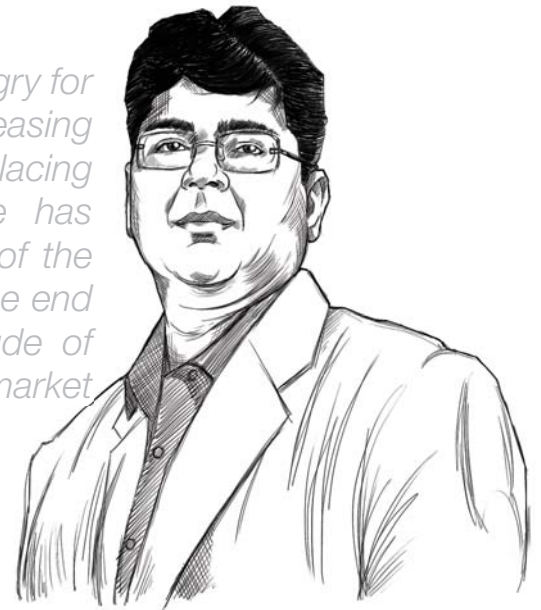
*"If you think about it, a person's mobile phone address book can be considered the most complete and relevant social network that they belong to. The phone calls they make and receive, as well as the emails and messages they send from their mobile phone are essential communication to that person's most important social circle comprising family members, close friends, and important colleagues. Unlike traditional internet-based social networks that are typically firewalled for work, fun, or social, the person's address book has no such boundaries; work colleagues, close friends, college and high school buddies, loved ones, and new acquaintances all co-exist on the address book. OnMobile's solutions enable the mobile operators to ensure these contacts remain protected and synchronized across their customer's devices."* - Ron Longo





# Europe

*"Mobile consumers are becoming more and more hungry for rich, high-quality applications and content. The increasing number of service providers entering the market is placing great strain on the traditional services. OnMobile has developed a solution that not only meets the needs of the operator and the content providers, but also serves the end customers well. With its ease of usage and multitude of features, the converged VAS offering meets a real market need."*



## **Sumit Sardana**

Senior Sales Director, Southern Europe

2012 has been a year of achievements, expansion and consolidation for OnMobile in Europe. Our sports and infotainment, rich content and cloud services are tailored to attract this market segment, but what has surprised us is the ever-increasing demand for music and ringback tone products in this market. With smartphones, online connectivity and higher purchasing power, users are still gravitating towards our musical offerings, giving us a unique insight into their needs and choices.

### **Notable Achievements:**

- Our impressive track record in Europe has continued with 64% overall growth year on year.
- We have won several high-end deals with tier one operators, such as O2 Czech, Vodafone Turkey & Spain and Orange Spain for ringback tones, and Vodafone and Telefonica in Spain for our converged VAS solutions.
- We have seen remarkable success in our deployments with Telefonica Spain: 53% growth in RBT ARPU year on year, and close to 10% growth in Converged VAS revenues in the first quarter since take over.
- Our Network Address Book has seen traction outside France and Germany, with three more countries coming on board through Vodafone.
- Everything Everywhere UK became the first customer for OnSecure, our cloud security solution.