

Company Registration No. 07293032 (England and Wales)

MOBILE CLOUD LABS PLC
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013



Jeffreys Henry LLP

**Finsgate
5-7 Cranwood Street
London
EC1V 9EE**

MOBILE CLOUD LABS PLC

COMPANY INFORMATION

| | | |
|------------------|---------------|----------------------------|
| Directors | Dennis Cook | (Appointed 2 January 2013) |
| | R S Sylvester | (Appointed 8 January 2013) |

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|------------------|--------------------------|
| Secretary | City Secretaries Limited |
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| | |
|-----------------------|----------|
| Company number | 07293032 |
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|--------------------------|--|
| Registered office | Finsgate, 5-7 Cranwood St London EC1V 9EE |
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|-----------------|--|
| Auditors | Jeffreys Henry LLP Finsgate 5-7 Cranwood St London Great Britain EC1V 9EE |
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MOBILE CLOUD LABS PLC

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MOBILE CLOUD LABS PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2013

The directors present their report and financial statements for the year ended 30 June 2013

Principal activities and review of the business

The company continued to be an investment holding company and mobile software development

On 18 October 2012, the company changed its status from a Limited Company to a Public Limited Company

The directors expect the company to become profitable in the near future

Principal risks and uncertainties

The director considers the following to be principal risks and uncertainties facing the company

- General economic conditions
- Natural disasters, acts of terrorism and consequent impact upon the company's ability to provide the online services
- Competition from new and existing operators in the sector
- Changing consumer trends in relation to similar Apps
- Risks associated with entry into new markets
- Relationships with key suppliers
- Changes to the taxation in the UK and overseas
- Currency fluctuations

The director takes measures to minimise the company's exposure to these risks on an ongoing basis

Key Performance Indicators

The company assesses its financial performance based on increases in revenue generated from new member sign ups. The overall performance of the company is considered to be in line with the expectations of the directors, however these key performance indicators are discussed below

New member sign up rate – As the company is a new entrant to the mobile software environment, management view new member sign up rates as a key performance indicator

Revenue generated – As the company grows, net income yield is monitored on a regular basis by the director to assess the performance of company

Results and dividends

The results for the year are set out on page 6

The directors do not recommend payment of an ordinary dividend

Post balance sheet events

There are no events since the balance sheet date that require any disclosures or adjustments

Going concern

After making appropriate enquiries, the directors consider that the company has adequate support to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis preparing the financial statements

Future developments

The company continues to invest in new technologies for mobile applications

MOBILE CLOUD LABS PLC

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

Directors

The following directors have held office since 1 July 2012

| | |
|----------------|----------------------------|
| Mr Shane Smith | (Resigned 2 January 2013) |
| K F K Kirstein | (Resigned 7 February 2013) |
| Dennis Cook | (Appointed 2 January 2013) |
| Daniel Loosli | (Resigned 9 January 2013) |
| R S Sylvester | (Appointed 8 January 2013) |

Creditor payment policy

It is the Company's payment policy for the forthcoming financial year to obtain the best terms for all business. In general, the Company agrees with its suppliers the terms on which business will take place and it is its policy to abide by these terms. The Company had no trade creditors at 30 June 2013 or 30 June 2012.

Financial Instruments

Funding and liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its obligations as they fall due. The company performs regular cash flow projections to ensure that it has access to sufficient cash resources to meet operational expenses on a monthly and quarterly basis.

Auditors

In accordance with the company's articles, a resolution proposing that Jeffreys Henry LLP be reappointed as auditors of the company will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MOBILE CLOUD LABS PLC

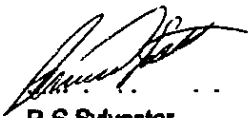
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information

On behalf of the board



R S Sylvester

Director

13 December 2013

MOBILE CLOUD LABS PLC

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MOBILE CLOUD LABS PLC

We have audited the financial statements of Mobile Cloud Labs PLC for the year ended 30 June 2013 set out on pages 6 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2013 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter - Intangible assets and Going Concern

- In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1.1 and 4 which indicate the basis on which the carrying value of the intangible assets have been determined by assessing the cash flow projections. These projections are based on the assumption that the company can realise projected sales. As the company has no significant sales history this indicates the existence of material uncertainty and as a result if the projections are not achieved, the intangible assets may become impaired.

- In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1.1 to the financial statements concerning the company's ability to continue as a going concern. The company incurred net losses of EUR322,647 during the year ended 30 June 2013 and, at that date it had net current liabilities of EUR1,236,181. These conditions, along with the other matters explained in note 1.1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include any adjustments that would result if the company was unable to continue as a going concern.

MOBILE CLOUD LABS PLC

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF MOBILE CLOUD LABS PLC

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Jeffreys Henry LLP

Mr David Warren (Senior Statutory Auditor)
for and on behalf of Jeffreys Henry LLP

13 December 2013

Chartered Accountants
Statutory Auditor

Finsgate
5-7 Cranwood St
London
Great Britain
EC1V 9EE

MOBILE CLOUD LABS PLC

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2013

| | | 2013 | 2012 |
|--|-----------|------------------|-----------------|
| | Notes | € | € |
| Administrative expenses | | (322,647) | (19,553) |
| | | <hr/> | <hr/> |
| Loss on ordinary activities before taxation | 2 | (322,647) | (19,553) |
| Tax on loss on ordinary activities | | - | - |
| | | <hr/> | <hr/> |
| Loss for the year | 10 | (322,647) | (19,553) |
| | | <hr/> <hr/> | <hr/> <hr/> |

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

MOBILE CLOUD LABS PLC

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 30 JUNE 2013

| | Notes | 2013 € | 2012 € |
|--|-------|------------------|-----------------|
| Loss for the financial year | | (322,647) | (19,553) |
| Unrealised gains / losses on investments | | (352,685) | - |
| Total recognised gains and losses relating to the year | | <u>(675,332)</u> | <u>(19,553)</u> |

MOBILE CLOUD LABS PLC

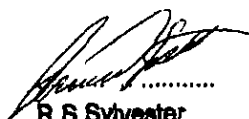
BALANCE SHEET

AS AT 30 JUNE 2013

| | Notes | 2013 € | € | 2012 € | € |
|--|-------|------------------|---|----------------|---|
| Fixed assets | | | | | |
| Intangible assets | 4 | 1,317,198 | | - | |
| Investments | 5 | 397,478 | | - | |
| | | <u>1,714,676</u> | | | - |
| Current assets | | | | | |
| Debtors | 6 | 142 | | 250,000 | |
| Cash at bank and in hand | | 148,982 | | 233,789 | |
| | | <u>149,104</u> | | <u>483,789</u> | |
| Creditors: amounts falling due within one year | 7 | (17,110) | | (8,968) | |
| Net current assets | | <u>131,994</u> | | <u>474,821</u> | |
| Total assets less current liabilities | | <u>1,846,670</u> | | <u>474,821</u> | |
| Creditors: amounts falling due after more than one year | 8 | (1,236,181) | | - | |
| | | <u>610,489</u> | | <u>474,821</u> | |
| Capital and reserves | | | | | |
| Called up share capital | 9 | 1,124,800 | | 501,000 | |
| Share premium account | 10 | 187,200 | | - | |
| Profit and loss account | 10 | (701,511) | | (28,179) | |
| Shareholders' funds | 11 | <u>610,489</u> | | <u>474,821</u> | |

Approved by the Board and authorised for issue on

13 December 2013



R S Sylvester
Director

Company Registration No. 07293032

MOBILE CLOUD LABS PLC

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2013

| | € | 2013 € | € | 2012 € |
|---|-------------|-------------|---|-----------|
| Net cash outflow from operating activities | | (64,647) | | (264,585) |
| Capital expenditure and financial investment | | | | |
| Payments to acquire intangible assets | (1,317,198) | | - | |
| Payments to acquire investments | (750,163) | | - | |
| | | | | |
| Net cash outflow for capital expenditure | | (2,067,361) | | - |
| | | | | |
| Net cash outflow before management of liquid resources and financing | | (2,132,008) | | (264,585) |
| Financing | | | | |
| Issue of ordinary share capital | 811,000 | | - | |
| Other new long term loans | 2,501,041 | | - | |
| Repayment of other long term loans | (1,264,860) | | - | |
| | | | | |
| Net cash inflow/(outflow) from financing | | 2,047,181 | | - |
| | | | | |
| Decrease in cash in the year | | (84,827) | | (264,585) |

MOBILE CLOUD LABS PLC

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2013

| | | | | | |
|---|--|--|--|-----------|-----------|
| 1 | Reconciliation of operating loss to net cash outflow from operating activities | | | 2013 | 2012 |
| | | | | € | € |
| | Operating loss | | | (322,647) | (19,553) |
| | Decrease/(increase) in debtors | | | 249,858 | (250,000) |
| | Increase in creditors within one year | | | 8,142 | 4,968 |
| | Net cash outflow from operating activities | | | (64,647) | (264,585) |

| | | | | | |
|---|----------------------------------|-------------|-------------|------------------------|--------------|
| 2 | Analysis of net (debt)/funds | 1 July 2012 | Cash flow | Other non-cash changes | 30 June 2013 |
| | | € | € | € | € |
| | Net cash | | | | |
| | Cash at bank and in hand | 233,789 | (84,827) | - | 148,962 |
| | Bank deposits | - | - | - | - |
| | Debt | | | | |
| | Debts falling due after one year | - | (1,236,181) | - | (1,236,181) |
| | Net funds/(debt) | 233,789 | (1,321,008) | - | (1,087,219) |

| | | | |
|---|---|-------------|-----------|
| 3 | Reconciliation of net cash flow to movement in net (debt)/funds | 2013 | 2012 |
| | | € | € |
| | Decrease in cash in the year | (84,827) | (264,585) |
| | Cash inflow from increase in debt | (1,236,181) | - |
| | Movement in net (debt)/funds in the year | (1,321,008) | (264,585) |
| | Opening net funds | 233,789 | 498,374 |
| | Closing net (debt)/funds | (1,087,219) | 233,789 |

MOBILE CLOUD LABS PLC
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 30 JUNE 2013

MOBILE CLOUD LABS PLC

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2013

| | 2013 | 2012 |
|-------------------------|------------------|-----------------|
| | € | € |
| Administrative expenses | (322,647) | (19,553) |
| Operating loss | <u>(322,647)</u> | <u>(19,553)</u> |

MOBILE CLOUD LABS PLC

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 30 JUNE 2013

| | 2013 | 2012 |
|------------------------------------|---------|--------|
| | € | € |
| Administrative expenses | | |
| Directors' remuneration | 28,209 | - |
| Administration fees | 13,020 | 13,540 |
| Listing fees | 45,451 | - |
| Printing, postage and stationery | 141 | - |
| Software Maintenance | 46,031 | - |
| Travelling expenses | 828 | - |
| Legal and prof fees - allowable | 12,567 | - |
| Legal and prof fees -non allowable | - | 467 |
| Consultancy fees | 135,666 | - |
| Accountancy | 7,686 | 1,204 |
| Audit fees | 5,657 | 3,763 |
| Bank charges | 601 | 315 |
| Profit/loss on foreign currency | 26,790 | 264 |
| | <hr/> | <hr/> |
| | 322,647 | 19,553 |
| | <hr/> | <hr/> |

MOBILE CLOUD LABS PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

1 Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented, unless otherwise stated.

Mobile Cloud Labs plc ('the company') is a public limited company incorporated in England & Wales and quoted on the GXG Market.

1.1 Accounting convention

These financial statements have been prepared in accordance with UK GAAP and with those parts of the Companies Act 2006 applicable to companies reporting under UK GAAP.

These financial statements are prepared under the historical cost convention.

Going concern

These financial statements have been prepared on the assumption that the company is a going concern. The company has been provided with written confirmation of support from its immediate holding company Vestor GmbH.

When assessing the foreseeable future, the directors have looked at a period of twelve months from the date of approval of this report. The forecast cash-flow requirements of the business are contingent upon the ability of the company to generate future sales.

The company is still at an early stage of its commercialisation and the success of the business depends on the realisation of projected

The uncertainty as to the timing and volume of the future growth in sales, require the directors to consider the company's ability to continue as a going concern. Notwithstanding this uncertainty, the directors believe that the company has demonstrated progress in achieving its objective of positioning the company as a major player in the Apps market.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Were the company to be unable to continue as a going concern, adjustments may have to be made to the balance sheet of the company to reduce balance sheet values of assets to their recoverable amounts, to provide for future liabilities that might arise and to reclassify non-current assets and long-term liabilities as current assets and liabilities.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

MOBILE CLOUD LABS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

1 Accounting policies

(continued)

1.3 Intangible assets

Intangible assets are amortised or depreciated over their useful lives. Useful lives are based on management's estimates of the period that the assets will generate revenue, which are periodically reviewed for continued appropriateness. Due to the long lives of assets, changes to the estimates used can result in significant variations in the carrying value.

The company assesses the impairment of intangible assets subject to amortisation or depreciation whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

The complexity of the estimation process and issues related to the assumptions, risks and uncertainties inherent in the application of the company's accounting estimates in relation to intangible assets affect the amounts reported in the financial statements, especially the estimates of the expected useful economic lives and the carrying values of those assets. If business conditions were different, or if different assumptions were used in the application of this and other accounting estimates, it is likely that materially different amounts could be reported in the company's financial statements.

However, if the projected sales do not materialise there is a risk that the value of the intangible assets shown above would be impaired.

1.4 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.5 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.6 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into Euro at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Operating loss

| | 2013 | 2012 |
|--|--------|-------|
| | € | € |
| Operating loss is stated after charging | | |
| Loss on foreign exchange transactions | 26,790 | 264 |
| Fees payable to the company's auditor for the audit of the company's annual accounts | 5,657 | 3,763 |

2 Taxation

Based on the accounts, no provision for corporation tax has been made.

The company has excess management expenses of EUR295,789 and unused non-trading deficits of EUR27,109 (2012 - EUR251) available for carry forward against future surpluses.

MOBILE CLOUD LABS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

4 Intangible fixed assets

| | IP Rights | User database | Licences | Total |
|-----------------------|-----------|---------------|----------|-----------|
| | € | € | € | € |
| Cost | | | | |
| At 1 July 2012 | - | - | - | - |
| Additions | 537,197 | 780,000 | 1 | 1,317,198 |
| At 30 June 2013 | 537,197 | 780,000 | 1 | 1,317,198 |
| Net book value | | | | |
| At 30 June 2013 | 537,197 | 780,000 | 1 | 1,317,198 |
| At 30 June 2012 | - | - | - | - |

The company assesses at each reporting date whether there is an indication that an asset may be impaired. Cash flow projections are based on the assumption that the company can realise projected sales. A prudent approach has been applied with no residual value being factored into these calculations. If an indication exists, an impairment review is carried out. At the period end, based on these assumptions, there was no indication of impairment of the value of user database.

If the projected sales do not materialise, there is a risk that the total value of the intangible assets shown above would be impaired.

5 Fixed asset investments

| | Listed Investments |
|---|--------------------|
| | € |
| Cost | |
| At 1 July 2012 | - |
| Additions | 750,163 |
| At 30 June 2013 | 750,163 |
| Provisions for diminution in value | |
| At 1 July 2012 | - |
| Charge for the year | 352,685 |
| At 30 June 2013 | 352,685 |
| Net book value | |
| At 30 June 2013 | 397,478 |

MOBILE CLOUD LABS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

| 6 Debtors | 2013 | 2012 |
|--|------------------|-----------------|
| | € | € |
| Amounts owed by parent and fellow subsidiary undertakings | - | 250,000 |
| Other debtors | 142 | - |
| | <u>142</u> | <u>250,000</u> |
| | <u>142</u> | <u>250,000</u> |
| 7 Creditors: amounts falling due within one year | 2013 | 2012 |
| | € | € |
| Accruals and deferred income | 17,110 | 8,968 |
| | <u>17,110</u> | <u>8,968</u> |
| The loans payable are with the related parties as described in note 15 | | |
| 8 Creditors: amounts falling due after more than one year | 2013 | 2012 |
| | € | € |
| Other loans | 1,236,181 | - |
| | <u>1,236,181</u> | <u>-</u> |
| Analysis of loans | | |
| Wholly repayable within five years | 1,236,181 | - |
| | <u>1,236,181</u> | <u>-</u> |
| | <u>1,236,181</u> | <u>-</u> |
| Loan maturity analysis | | |
| In more than two years but not more than five years | 1,236,181 | - |
| | <u>1,236,181</u> | <u>-</u> |

MOBILE CLOUD LABS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2013

| 9 Share capital | 2013 | 2012 |
|--|-----------|---------|
| | € | € |
| Allotted, called up and fully paid | | |
| 11,248,000 Ordinary shares of EUR0.10 each | 1,124,800 | 501,000 |

During the year the company allotted the following ordinary shares with nominal value of Eur 0.10 -

4,748,600 shares at Eur 0.10 = Eur 474,860

1,248,000 shares at Eur 0.25 = Eur 312,000

The total consideration received is Eur 786,860

In addition to the above, the share capital of the company prior to the allotment, were redenominated from GBP to EUR. As a result of this, the number of shares is now 5,251,400 with a nominal value of Eur 0.10 instead of 4,235,000 shares with a nominal value of GBP 0.10

10 Statement of movements on reserves

| | Share premium account | Profit and loss account |
|---|-----------------------|-------------------------|
| | € | € |
| Balance at 1 July 2012 | - | (26,179) |
| Loss for the year | - | (322,647) |
| Premium on shares issued during the year | 187,200 | - |
| Unrealised gains or losses on investments | - | (352,685) |
| Balance at 30 June 2013 | 187,200 | (701,511) |

11 Reconciliation of movements in shareholders' funds

| | 2013 | 2012 |
|--|-----------|----------|
| | € | € |
| Loss for the financial year | (322,647) | (19,553) |
| Unrealised gains and losses | (352,685) | - |
| Proceeds from issue of shares | 811,000 | - |
| Net addition to/(depletion in) shareholders' funds | 135,668 | (19,553) |
| Opening shareholders' funds | 474,821 | 494,374 |
| Closing shareholders' funds | 610,489 | 474,821 |

MOBILE CLOUD LABS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

| | | |
|--------------------------------------|-------------|-------------|
| 12 Directors' remuneration | 2013 | 2012 |
| | € | € |
| Remuneration for qualifying services | 28,209 | - |

13 Employees

Number of employees

There were no employees during the year apart from the directors

| | | |
|-------------------------|-------------|-------------|
| Employment costs | 2013 | 2012 |
| | € | € |
| Wages and salaries | 28,209 | - |

14 Control

The immediate controlling party is Vestcor GmbH a company incorporated in Switzerland. The ultimate controlling party is Daniele Sabbia by virtue of his 75% interest in Vestcor GmbH.

15 Related party relationships and transactions

During the year, the following related party transactions took place -

- The company acquired a software - camera for facebook - from Sociable Stuff LLC, which is controlled by Richard Sylvester, for Eur 367,700

- In addition to the above, payments of Eur 39,981 were made in respect of software developments

- The net balance due as at the year end is Eur 160,200

- The company also acquired another software - My Anti Theft - from FXR Labs LLC, which is also under the control of Richard Sylvester, for Eur 102,500

- Furthermore, Mobile Cloud Labs PLC bought a User Database for Eur 780,000 from FXR Labs LLC

- The net balance due as at the year end is Eur 505,501

- Both FXR Labs LLC and Sociable Stuff LLC hold shares in Mobile Cloud Labs PLC

- The company paid Eur 89,317 to Daniel Sabbia for consultancy fees

- It also paid Eur 28,209 as director fees and Eur 46,349 as consultancy fees to Daniel Loosli

Vestcor GmbH lent monies to Mobile Cloud Labs PLC and the net balance due as at 30 June 2013 is Eur 570,480
