UMT United Mobility Technology AG
Munich
Annual Financial Statements as of 31 December 2013
for the Financial Year from 1 January to 31 December 2013

Management Report of UMT United Mobility Technology AG, Munich, 2013

Foundations of the Company

Business Model

As a publicly traded parent corporation, UMT United Mobility Technology AG (UMT) conceives of itself as a technology holding company that supports innovative enterprises in a hands-on, revenue-oriented approach. This means that the shareholdings of UMT are accompanied and developed by the Management and Supervisory Board members with their expertise, experience in the sector and global contacts to industry, research and capital market experts. UMT focuses on identifying innovative business ideas early. These are made ready for the market and brought onto the stock exchange at the right point in time or sold to corporate groups. UMT is divided into three divisions: "Mobility," "Technology" and "Financial Services."

The company's strength lies in the development of applications. The operative business largely transpires within the shareholdings. UMT currently holds a significant share in UMS United Mobile Services GmbH (UMS). As a software smith, UMS is responsible for the development of mobility and service apps, particularly for smartphones, the focus of the product portfolio being the iPAYst application, which enables mobile payment via smartphones, tablets and other mobile devices.

Research and Development

Development activities in 2013 were essentially conducted by UMS, above all regarding the iPAYst product. Not only were the strict payment functions extended and improved, but emphasis was placed on developing functions that provide significant added value for retail stores.

Economic Report

Macro and Sector-Related Framework Conditions

Gross domestic product increased by 0.4% on annual average in 2013. As assessed by the German Federal Government, the German economy settled after a weak phase into a stabile recovery course in the winter of 2012/2013 (source: 2014 Annual Economic Report).

The development of the mobile payment market is characterized by a disproportion between the estimated 1.3 billion active bank accounts worldwide and the 7 billion active cellular accounts, of which about 2 billion are attributable to smartphones. Experts predict that mobile payment transactions can increase the global income pie from USD 175 billion to USD 250 billion, with USD 45 billion being attributable to industrial countries and USD 30 billion to emerging markets (source: Morgan Stanley Research).

In 2013 UMT continued to focus on further development, intensive marketing and positioning of the iPAYst product of its wholly-owned subsidiary UMS United Mobile Services GmbH.

With this strategic approach, UMT is active in one of today's most exciting market environments. The increasing dissemination of smartphones together with the likewise sharply increasing consolidation of brick-and-mortar and digital shops is creating new possibilities for electronic payment methods. In Germany alone, the number of smartphone users increased from October 2012 to October 2013 by 7.9 million or 27% from 29.5 million to 37.4

million (source: Statista GmbH, www.statista.com).

Course of Business

The successfully completed test phase of the Mobile Wallet from September 2012 to March 2013 at selected acceptance points in the stationary and online trade created the conditions necessary for broad dissemination at the national and international levels.

Through a collaboration of the subsidiary UMS with the leading network operator in Germany, afc Rechenzentrum GmbH, the company was able in April 2013 to secure access to around 500,000 point-of-sale terminals. After creating the technical prerequisites (interfaces), the company plans in the second quarter of 2014 for iPAYst to be available on afc point-of-sale terminals. In light of this, UMS has now budgeted in the 2014 business plan a significant portion of the personnel and marketing expenses originally foreseen for 2013.

According to the iPAYst Business Plan for 2013, the subsidiary UMS anticipated revenue of TEUR 98, while revenue of TEUR 57 was actually earned with iPAYst. In keeping with the original plans, this included in particular license revenue, which was clearly attributable to the iPAYst product and thus to be considered as an addition. Because the product is very young and the company is in a fast-moving market, the Management Board assumes that changes and additions will always have to be made to the business model and the product in order to stay attractive and competitive. The revenue planned for 2013 from transactions with payment functions from the iPAYst app was unable to be realized yet. UMS management attributed this to the connection to afc point-of-sale terminals, which was postponed until the second quarter of 2014. In view of this development, management postponed the personnel expansion originally planned for 2013 until 2014, so that personnel expenses amounted to only TEUR 448 in 2013 in lieu of the budgeted TEUR 1,291. Accordingly, instead of the originally planned TEUR 2,121, only TEUR 615 were expended for marketing and other expenses. In total, UMS thus achieved EAT (loss) of TEUR 1,006 instead of the planned EAT of TEUR 3,134 in 2013.

In addition to the deliberate establishment on the German market, the company also oriented itself internationally. For this purpose, at the end of April 2013, UMT formed a subsidiary, UMS Italia S.R.L., in which it holds a 50% stake. In May 2013, the roll-out of iPAYst started on the Italian market. The great potential of this market was a reason for this strategic direction. Not only the high percentage of smartphones (more than 50%) but also the 25% forecast annual growth in the cellular sector speaks in favor of this. In October 2013, UMPS - United Mobile Payment Systems Espana S.L. was likewise formed. The roll-out of UMPS on the Spanish market is currently being prepared.

Situation

The basis for the presentation of the earnings, liquidity and financial situation as well as for the ratios is the audited annual financial statements as of 31 December 2012 in accordance with the German Commercial Code and the internal reports of UMT United Mobility Technology AG for the period from 1 January to 31 December 2013.

Earnings Situation

Major changes in the earnings situation of UMT United Mobility Technology AG in 2013 compared to the corresponding period from the previous year:

UMT managed to close the year with net income of TEUR 478 (previous year: TEUR 307). The reason was essentially other operating income of TEUR 1,324, which in turn was basically based on a revaluation of the total assets of UMS in the amount of TEUR 900. Personnel expenses (TEUR 125) remained nearly unchanged from the previous year (TEUR 124). Depreciation, amortization and write-offs remained unchanged at TEUR 2 (2012: TEUR

2). Other operating expenses increased from TEUR 300 to TEUR 649. The main individual item in this regard was legal and consulting costs of TEUR 446 (previous year: TEUR 144). Interest income amounted to TEUR 79 (previous year: TEUR 20), resulting from shareholder loans by UMT to UMS. This was juxtaposed by interest expenses for shareholder loans of TEUR 119 (previous year: TEUR 24).

Financial and Liquidity Situation

Major changes in the financial situation of UMT United Mobility Technology AG in 2013:

The equity ratio of UMT rose slightly over 31 December 2012, now amounting to 82.9% (31 December 2012: 81.6%). In absolute figures, shareholders' equity increased from TEUR 7,593 by TEUR 3,292 to TEUR 10,885. This was essentially attributable to the net income of TEUR 478, the increase of the capital stock using authorized capital of TEUR 2,147 and payments made in this context to the surplus capital of TEUR 750.

A major portion of the total assets of UMT is attributable to the shareholding in UMS (TEUR 9,399 after a write-up of TEUR 900 or 71.6% of total assets; 31 December 2012: 91.3%) and accounts receivable from UMS (12.1% or TEUR 1,587; previous year: 6.4% or TEUR 599). UMS thus has a total weighting in the total assets of UMT of 83.7% (31 December 2012: 97.7%). The shareholdings in Spain and Italy were added in 2013 at a total of TEUR 179. Cash on hand managed to be increased significantly from TEUR 19 to TEUR 1,841 based on the cash capital increase using authorized capital.

The borrowings ratio amounted to 17.1% (31 December 2012: 18.4%) with borrowings of TEUR 2,248 (31 December 2012: TEUR 1,712), thus down -1.3% from 31 December 2012. Total capital thus rose from TEUR 9,305 by TEUR 3,829 to TEUR 13,134.

The company was furnished with sufficient financial resources as of 31 December 2013. Liquid assets amounted to TEUR 1,841 as of 31 December 2013 (31 December 2012: TEUR 49). The cash-flow statement showed a negative operative cash flow of TEUR 841 and negative cash flow from investment activity of TEUR 182, juxtaposed by positive cash flow from financing activity of TEUR 2,815.

Financial and Non-Financial Performance Indicators

Financial Performance Indicators

In 2013, the company earned EBIT of TEUR -769, after factoring out one-time income. In total, the return on equity amounted to 4.4%. The return on total assets before interest and taxes was 4.6%.

Non-Financial Performance

Indicators Personnel

UMT does not employ any persons, except for the Management Board members.

Innovations

Innovations and new technologies are a key building block of the strategic further development of the company and thus a strength of the business program. Most of the resources in our subsidiary UMS United Mobile Services GmbH are used to develop new and further develop existing products.

Report on Events after the Closing Date

There were no events of special significance which occurred after the close of the reporting period but which would have had led to a different presentation of the financial, liquidity and earnings situation of the company had they occurred beforehand.

Independency Report

In the period from 1 January until 29 July 2013, UMT United Mobility Technology AG was an enterprise dependent on SWM Treuhand AG, Wirtschaftspruefungsgesellschaft, Gruenwald, Germany, and on Roderich Schaetze, Attorney at Law, Independent Auditor and Public Accountant, in the terms of § 312 of the Corporation Act. The UMT Management Board therefore prepared a report of the Management Board on the relations to affiliated companies pursuant to §312(1) of the Corporation Act that contains the following concluding remark:

"For the legal transactions listed in the report on relations to affiliated companies, the Company received adequate consideration for each legal transaction in accordance with the circumstances known to the Management Board on the date when the legal transactions were undertaken."

Forecast, Opportunities and Risks

The business of UMS is conducted by the UMT Management Board. This warrants ongoing information and precise control over the business activity of UMT and the major shareholding in UMS by the Management Board. The Board exercises control over the shareholdings through ongoing accounting reports and continuous monitoring of liquidity. The liquidity requirement is coordinated on an ongoing basis with the capital providers.

UMT has largely anchored its operative business in the shareholding in UMS. The going concern thus largely depends on the development of the wholly-owned subsidiary. For this reason, focus will continue to be placed on the national and international positioning of the iPAYst product. Since July of this year, the app has also been available as a download for all Android smartphones free of charge in the Google Play Store. Based on the strategic orientation to serve the full scope of the mass market, this product development marks a further milestone.

Critical are also further loyalty features that enable dealers to communicate better with their customers and to react more effectively to their needs. Market researchers also see an opportunity for a breakthrough in connection with the insight into consumer behavior gained in payment transactions. The trading channels promoting electronic payments have developed four times faster than traditional trading channels.

For 2014, UMS to introduce iPAYst at afc point-of-sale terminals. Specific negotiations are also underway with a further cooperation partner that is one of Germany's leading providers of loyalty programs and cards. If this further cooperation is concluded as planned and the further milestones abroad (e.g. Italy, Spain and Turkey) are achieved, the Management Board forecasts revenue from iPAYst at EUR 4 million in 2014. Juxtaposed to this are significant planned investments in personnel and marketing, so that an operative loss of approx. EUR 11 million is expected. Compared to the previous year's plans, sustained positive EAT is not anticipated in 2015 but only as of 2016.

The Management Board sees the risks of this business development in a refusal of consumers to make payments electronically using mobile end devices. There is also a risk that large market participates that have a great degree of market power and/or financial reserves will divide the market between themselves. UMT sees itself as being well-positioned in this regard, because iPAYst is a payment method that combines significant benefits: (1) can be used universally, independently of dealers, (2) protects user data, (3) provides added value for dealers through the possibility of targeted marketing strategies, (4) can be implemented easily. Based on the integration of iPAYst into the entire sales process, iPAYst moreover has a unique selling point.

The following risks can be identified in particular:

The greatest theoretical market risks appear to be end customers refusing to undertake payments with smartphones, computers and mobile end devices and dealers not using solutions such as iPAYst. Because iPAYst does not view itself as a payment processor but as a provider of support for dealers throughout the sales process—from enabling sales up to but not necessarily including the payment process—we do not compete with payment settlers under margin pressure. On the other hand, this is a consumer-oriented product that is dealer independent and can be used for a variety of purposes and offers high security standards.

Potential default risks within the framework of payment settlement can largely be averted through access to credit rating agencies and special algorithms to identify potential default risks, since the default risk for dealers and thus also for iPAYst is limited, particularly with respect to credit card payments.

Investment risk is limited through the subsidiaries in Italy, Spain and Turkey, which are essentially only backed with equity. This will also apply to further planned shareholdings and cooperations.

Financial risks and the secured capitalization of UMT constitute major considerations.

During the capital increased carried out in the summer using authorized capital to the exclusion of subscription rights, UMT created the corresponding liquidity for its future business direction. With the approval of the Supervisory Board, the Management Board successfully carried out in August 2013 an initial capital increase with strategic investors using authorized capital at an issue price of EUR 1.35 per share. The issue price was computed based on the current share price at the time of the Management Board resolution on the capital increase, less a 10% discount. Upon the entry in the Commercial Register on 23 August 2013, the capital stock was increased by EUR 2,146,983.00 to EUR 13,146,983.00. Net issue proceeds of TEUR 2,898 thus flowed to the company.

Within the framework of further tranches, the company's capital stock is to be further increased in an ordinary capital increase in the summer of 2014 on at least the same valuation basis. With the capital inflow, the company plans to cover liquidity needs for the further "roll-out" of iPAYst and to finance the operative business. Through the successful capital increase, the company's liquidity is secured until the first half of 2015. The business plan has thus been designed so that the planned costs will only be triggered if there is sufficient financing. In this way, it will be assured in each phase that the going concern is not jeopardized irrespective of the individual capital measures. However, the further dissemination of iPAYst is a precondition for the company to succeed in carry out the above-mentioned capital increase in the summer of 2014.

The future going concern of UMS will depend particularly on the iPAYst product being used as a payment system by customers and generating sufficient revenue.

As a whole, however, even in light of the above-presented risks, the Management Board anticipates positive and exciting development in 2014.

Munich, 15 April 2014

Dr. Albert Wahl
Management Board

UMT United Mobility Technology AG, Munich
Balance Sheet as of 31 December 2013

A S S E T S	12/31/2013 EUR	12/31/2013 EUR	Previous Year EUR
A. FIXED ASSETS			
I. Property, plant and equipment			
1. Properties, leasehold rights and buildings, including buildings on non-owned land	1.00		1.00
2. Other equipment, fixtures, fittings and equipment	7,842.00		6,930.00
		7,843.00	6,931.00
II. Financial assets			
1. Shares in affiliated companies	9,578,000.00		8,499,000.00
2. Investments	1.00		1.00
		9,578,001.00	8,499,001.00
		9,585,844.00	8,505,932.00
B. CURRENT ASSETS			
I. Inventories			
Properties intended for sale		15,000.00	15,000.00
II. Accounts receivable and other assets			
1. Trade receivables	2,676.99		2 804.99
2. Accounts receivable from affiliated companies	1,586,651.78		598,705.30
thereof, with a residual term of more than one year: EUR 1,586,651.78 (previous year: EUR 598,705.30)			
3. Other assets	99,684.72		161,667.77
		1,689,013.49	763 178.06
III. Cash on hand and in Federal Bank, cash in banks and checks		1,840,906.23	19,470.91
		3 544 919.72	797,648.97
C. DEFERRED CHARGES AND PREPAID EXPENSES		2,844.50	1 198.45
		13,133,608.22	9.304,779.42

L I A B I L I T I E S

	12/31/2013		Previous Year
	EUR	EUR	EUR
A. SHAREHOLDERS' EQUITY			
I. Subscribed capital			
1. Subscribed capital	13,146,983.00		11,000,000.00
2. less nominal amount of own shares	(387,061.00)		(340,000.00)
	12,759,922.00		10660 000.00
II. Surplus capital	759,699.05		8,255.00
III. Earnings reserves	572,220.12		608,552.99
IV. Accumulated deficit			
1 Accumulated deficit	(3,684,149.78)		(3,991,067.97)
2. Net income	477,672.77		306,918.19
	(3,206,477.01)		(3,684 149.78)
		10,885,364.16	7,592 658.21
B. PROVISIONS AND ACCRUED LIABILITIES			
1 Accrued taxes	0.00		766.16
2 Other provisions and accrued liabilities	83,000.00		16,000.00
		83,000.00	16,766.16
C. LIABILITIES			
1. Liabilities due to banks	0.00		72.47
2. Trade payables	15,795.59		72,701.78
3. Liabilities due to affiliated companies	1 12,674.17		0.00
4. Liabilities due to other Group companies	1 982,302.79		1,583,779.86
5. Other liabilities thereof, for taxes: EUR 1,534.59 (previous year: EUR 864.02)	54,471.51		38,800.94
		2,165,244.06	1,695,355.05
		13,133,608.22	9,304,779.42

UMT United Mobility Technology AG, Munich
Income Statement
for the Financial Year from 1 January to 31 December 2013

	2013		Previous Year
	EUR	EUR	EUR
1. Gross profit		1,304,159.23	822,132.76
2. Personnel expenses	(121,681.08)		(120,000.00)
a) Wages and salaries			
b) Social security, pension and other benefit costs	(3,735.60)		(3,622.08)
		(125,416.68)	(123,622.08)
3. Depreciation, amortization and write-offs on intangible assets, plant, property and equipment		(2,246.84)	(2,025.06)
4. Other operating expenses		(649,318.39)	(299,804.28)
5. Other interest and similar income		78,519.58	19,855.12
thereof, from affiliated companies: EUR 78,446.48 (previous year: EUR 19,813.12)		0.00	(218,254.00)
6. Write-offs on financial assets and marketable securities			
7. Interest and similar expenses		(119,302.79)	(24,165.47)
8. Result from ordinary operations		486,394.11	174,116.99
9. Taxes on income		(8,312.34)	133,210.20
10. Other taxes		(409.00)	(409.00)
11. Net income		477,672.77	306,918.19
12. Loss carry-forward from previous year		(3,684,149.78)	(3,991,067.97)
13. Accumulated deficit		(3,206,477.01)	(3,684,149.78)

2013 Notes

I. General Information

The annual financial statements was prepared based on the classification, accounting and valuation provisions in the German Commercial Code (*Handelsgesetzbuch; HGB*) and the supplementary provisions of the German Corporation Act (*Aktiengesetzes; AktG*).

In application of the definition of the size-related classes in accordance with § 267 of the Commercial Code, the company was a small corporation both in 2012 and in 2013 pursuant to § 267(1) of the Commercial Code.

Size-related simplification options for the preparation (§§ 276 and 288 of the Commercial Code) of the annual financial statements were used in part.

Classification Principles

The classification of the balance sheet and income statement did not change compared to the previous year.

The classification of the income statement was undertaken in accordance with the cost summary method in accordance with § 275(2) of the Commercial Code.

Accounting Methods

The annual financial statements contain all assets, debts, deferred charges and prepaid expenses, deferred income, expenses and income, unless stipulated otherwise by law. The asset items have not been netted with liability items, expenses have not been netted with income, leasehold rights have not been netted with charges on property.

The fixed and current assets, shareholders' equity, liabilities, deferred charges and prepaid expenses and deferred income were disclosed separately in the balance sheet and have been sufficiently categorized.

Only fixed assets are disclosed which are permanently dedicated to serve the business operations. Expenses for the formation of the company and for the procurement of shareholders' equity were not included in the balance sheet. Provisions and accrued liabilities were only set up in accordance with § 249 of the Commercial Code and HGB and deferred charges and prepaid expenses and deferred income in accordance with the provision in § 250 thereof.

Valuation Methods

The estimates in the opening balance sheet of the financial year coincide with those of the closing balance sheet of the preceding financial year. The going concern was assumed in the valuation. The assets and liabilities were valuated individually. A cautious valuation has been made; all foreseeable risks and losses that arose prior to the cutoff date have been taken into account, even if these first became known between the cutoff date and the preparation of the annual financial statements. Profit has only been taken into account if realized prior to the cutoff date. Expenses and income of the financial year have been taken into account independently of the payment dates.

Individual items were valuated as follows:

- The undeveloped property disclosed under the item "Properties, leasehold rights and buildings" has been valuated at the acquisition costs or at the lower attributable value and is not subject to wear and tear.
- Plant, property and equipment has been valuated at the acquisition costs plus ancillary acquisition costs less acquisition price reductions or at the production costs. Normal depreciation is undertaken assuming

the standard useful life at the maximum permissible tax rates or, due to a persistent reduction in value, at the lower attributable value.

- A collective item has been set up for low-value items in addition to § 6(2a) of the Income Tax Act. One-fifth (1/5) of this item is reversed annually.
- Financial assets are recorded at acquisition costs or the lower attributable values.
- Inventories are recorded at the acquisition or production costs or the lower stock exchange or market prices.
- Accounts receivable and other assets have in principle been recorded at the nominal amount. Identifiable individual risks have been taken into account through individual allowances.
- Provisions and accrued liabilities are recorded at the amounts necessary for their fulfillment in accordance with a prudent commercial assessment. They take into account all identifiable risks and contingent liabilities.
- Liabilities have been disclosed at the amount necessary for their fulfillment.

II. Notes to the Items on the Balance Sheet

The extraordinary depreciation undertaken in 2011 on the shareholding in UMS United Mobile Services GmbH (UMS United Mobility Services AG was transformed in 2013 within the framework of a change in form into a limited liability company (GmbH) and the corporate name changed) was reversed in the reporting period. A write-off was made pursuant to § 253(5) of the Commercial Code in the amount of TEUR 900. The book value of the shareholding in UMS United Mobile Services GmbH amounted to TEUR 9,399 as of 31 December 2013.

When deciding on the write-up, the Management Board considered the following circumstances: The original partial depreciation was made based on the originally unplanned development of the car sharing app. This project has meanwhile been put off, however, and currently has no significance for the valuation of the shareholding in UMS United Mobile Services GmbH. A major business asset of UMS United Mobile Services GmbH is a mobile payment solution called iPAYst (www.iPAYst.com). All cards (credit, debit, bonus and discount cards, etc.) can be depicted in a mobile wallet. The payment procedure is settled based on a quick response (QR) code. In addition to the use at the point-of-sale or in e-commerce, shopping is also facilitated through printed advertising and shop windows. Moreover, iPAYst offers all parties to the payment procedure (dealers, customers, advertisers, etc.) enormous additional benefits far beyond the strict payment settlement. UMS United Mobile Services GmbH has to date met key milestones in the business plan for 2013. UMT United Mobility Technology AG moreover managed in relation to the promising development of iPAYst to already successfully carry out a capital increase using authorized capital, which supports the Management Board's assumptions about the value of the shareholding. The capital increase was entered in the Commercial Register on 23 August 2013.

The future sustained value of the shares in UMS United Mobile Services GmbH will essentially depend on the development of the iPAYst product in the financial years to come.

In contrast, the extraordinary depreciation undertaken in 2012 on the shareholding in I-Mall GmbH was retained.

The composition of the shareholdings in affiliated companies can be derived from the following overview:

	Shareholding %	Shareholders' Equity as of 12/31/2013 TEUR	Result 2013 TEUR
UMS United Mobile Services GmbH, Munich	100.00	- 1,352	- 1,004
UMS Italia S.R.L., Milan	50.00	62	-107
Mobile Payment System Espana, S.L., Barcelona	50.00	17	-3

Real estate intended for sale was disclosed under inventories.

Accounts receivable from affiliated companies related to a loan to the subsidiary UMS United Mobility Services GmbH, including deferred interest, TEUR 1,400 of which has been subordinated.

Other assets of TEUR 100 (previous year: TEUR 162) essentially include VAT tax claims (TEUR 63) and a short-term claim against the company's Management Board (TEUR 25). In the previous year, other assets essentially related to VAT tax claims (TEUR 86) and a short-term claim against the company's Management Board (TEUR 39).

The capital stock consists of 13,146,983 bearer shares with a par value of EUR 1.00 each.

As of the cutoff date in the previous year, the capital stock consisted of 11,000,000 bearer shares with a par value of EUR 1.00 each.

The maximum authorized capital of EUR 5,500,000.00 approved by the shareholders in extraordinary general meeting on 22 January 2008 approved expired in February 2013.

At the general shareholders' meeting on 13 June 2013, the Management Board was authorized to increase the capital stock, with the approval of the Supervisory Board, within five years from the entry in the Commercial Register of the modification of the Articles of Association, through the issue of new shares one or more times in return for cash and/or non-cash contributions, though up to a total maximum amount of EUR 5,500,000, by issuing up to 5,500,000 new shares in return for cash and/or non-cash contributions, while excluding the subscription rights of the shareholders

- in the event of a capital increase in return for cash contributions, as necessary to avert fractional amounts; or
- in the event of a capital increase in return for non-cash contributions, insofar as the capital increase occurs to acquire enterprises, shareholdings in enterprises, patents or other industrial property rights or licenses or an aggregate of assets forming a business; or
- in the event of a capital increase in return for cash contributions, insofar as the capital increase fails to reach 10% of the capital stock with the submission of other capital measures already adopted or carried out in accordance with § 186(3), Sentence 4 of the Corporation Act in the authorization period or with the sale of own shares, provided the issue price is not significantly below the stock exchange price; or
- if the exclusion of the subscription rights lies in the well comprehended interests of the company.

Use was made of the authorization by the Management Board with the approval of the Supervisory Board in August 2013 and the capital stock was increased by EUR 2,146,983.00 (entry in the Commercial Register on 28 August 2013).

As of 31 December 2013, there was no distributable shareholders' equity. Moreover, based on the own shares held by the company as of 31 December 2013, there was a dividend freeze in the amount of EUR 886,332.87 (reduction of earnings reserves based on acquisition of own shares).

In the financial year, the company acquired 67,061 of its own shares (acquisition, statement of shareholders' equity: acquisition of own shares), whereby EUR 67,061.00 was deducted from the capital stock and the earnings reserves were reduced by EUR 39,712.87. 20,000 own shares were sold to company employees for sale proceeds of EUR 23,800.00 (statement of shareholders' equity: issue of shares), whereby EUR 20,000.00 were transferred to the capital stock and EUR 2,380.00 to the earnings reserves of the company. The proceeds were used to cover the current costs. As of 31 December 2013, the company had 387,061 own shares (previous year: 340,000).

With respect to the liabilities to other Group companies of TEUR 1,982 (previous year: TEUR 1,584), trade payables accounted for TEUR 0 (previous year: TEUR 230).

Liabilities due to other Group Companies included liabilities of TEUR 200 (previous year: TEUR 200) from an purchase price repayment obligation in connection with the sale of the easement on the property in Leipzig/Wiederitzsch. The liability was secured through the conveyance of securities in the form of 286,000 of the company's own shares. This risk of actual recourse is deemed to be very improbable, because the liability has already been reduced compared to the previous year and is it moreover planned to repay the full amount of the liability.

Other liabilities contain tax liabilities in the amount of TEUR 2 (previous year: TEUR 1).

All liabilities have a residual term of up to one year.

Except for the states of affairs listed below, no other material financial obligations and no liability relations existed in the terms of § 251 of the Commercial Code: assurance of liabilities due to SWM Treuhand AG through assignment by way of security of assets of UMS United Mobility Services GmbH, assurance of liabilities due to other Group companies through conveyance by way of security of 286,000 own shares.

III. Notes to the Items on the Income Statement

Of the other interest and similar income, TEUR 79 (previous year: TEUR 20) resulted from interest from affiliated companies.

IV. Miscellaneous

Consolidated Financial

Statements:

The company is exempt in accordance with § 293 of the Commercial Code from the obligation to prepare consolidated financial statements.

Cash-Flow Statement:

According to the cash-flow statement, cash and cash equivalents as of 12/31/2013 were exclusively composed of cash in bank corresponding to the balance sheet item "Cash on hand and in Federal Bank, cash in banks and checks." In the previous year, cash and cash equivalents also included a claim from transaction costs of TEUR 30.

The disbursements for investments in financial assets relate to the shareholdings in UMS Italia S.R.L. and Mobile Payment System Espana, S.L..

Information on the Officers:

Management Board

Since 18 December 2009, Dr. Albert Wahl, born on 27 July 1960 (Graduated Economist), was appointed as Management Board member with powers of sole representation.

Supervisory Board

Composition of the Supervisory Board since 30 September 2011:

- Chairman: Walter Raizner, independent business consultant, Zug
- Vice Chairman: Roderich Schaetze, independent lawyer, public accountant and independent auditor, Munich
- Member: Markus Wenner, Managing Partner at GCI Management Consulting, Munich.

The total remuneration of the Supervisory Board amounted to TEUR 35 in financial year 2013.

In the reporting period, UMT United Mobility Technology AG did not employ any persons in the terms of § 285(1)7.

Munich, 15 April 2014

Dr. Albert Wahl
Management Board

Statement of Shareholders' Equity
as of
31 December 2013

UMT United Mobility Technology AG, Munich

Commercial Law

	Subscribed Capital	Acquired Own Shares	Surplus Capital	Earnings Reserves	Earned Shareholders' Equity	Total
	EUR	EUR	EUR	EUR	EUR	EUR
As of 01/01/2012	11,000,000.00	-340,000.00	8,255.00	608,552.99	-3,991,067.97	7,285,740.02
Result for the period					306,918.19	306,918.19
Balance as of 12/31/2012	11,000,000.00	-340,000.00	8,255.00	608,552.99	-3,684,149.78	7,592,658.21
Issue of shares	2,146,983.00	20,000.00	751,444.05	3,380.00		2,921,807.05
Acquisition/redemption of own shares		-67,061.00		-39,712.87		-106,773.87
Result for the period					477,672.77	477,672.77
Balance as of 12/31/2013	13,146,983.00	-387,061.00	759,699.05	572,220.12	-3,206,477.01	10,885,364.16

CASH-FLOW STATEMENT (direct)
from
01/01/2013 to 12/31/2013
UMT United Mobility Technology AG, Munich

	Financial Year EUR	Previous Year EUR
Payments received from customers for the sale of products, merchandise and services	-148.96	-2,588.02
- Payments made to suppliers and employees	748,959.43	521,069.67
+ Other payments received that are not allocable to investment or financing activity	1,295,412.24	1,975,217.95
- Other payments made that are not allocable to investment or financing activity	1,387,449.76	649,524.08
Cash flow from current business activity	**-841,145.91**	**802,036.18**
Payments received from sale of plant, property and equipment	0.00	1,123.00
- Payments made for investments in plant, property and equipment	3,451.95	336.06
-Payments made for investments in financial assets	179,000.00	0.00
Cash flow from investment activity	**-182,451.95**	**786.94**
Payments received from equity acquisitions	2,921,807.05	0.00
- Payments made to business owners	106,773.87	0.00
+ Payments received from the issue of bonds and the borrowing of (financing) credits	0.00	0.00
- Payments made for the redemption of bonds and (financing) credits	0.00	800,000.00
Cash flow from financing activity	**2,815,033.18**	**-800,000.00**
Changes in cash and cash equivalents (total cash flows)	1,791,435.32	2,823.12
+ Cash and cash equivalents at start of period	49,470.91	46,647.79
Cash and cash equivalents at end of period	**1,840,906.23**	**49,470.91**

6.1.7 Auditor's Opinion

Auditor's Opinion

to UMT United Mobility Technology AG, Munich:

We have audited the annual financial statements (consisting of a balance sheet, income statement, statement of shareholders' equity, cash-flow statement and notes), the accounting and the management report of UMT United Mobility Technology AG, Munich for the financial year from 1 January to 31 December 2013. The legal representatives of the company are responsible for the accounting and for preparing the annual financial statements and management report in accordance with the provisions of German commercial law. It is our task to issue an opinion on the annual financial statements, the accounting and the management report on the basis of the audit we have conducted.

We have conducted our audit in accordance with § 317 of the Commercial Code with due regard to the German generally accepted auditing principles issued by the German Independent Auditors' Institute (IDW). In accordance therewith, the audit is to be planned and conducted so that any inaccuracies and breaches which could have a significant effect on the presentation of the view of the financial, liquidity and earnings positions conveyed by the annual financial statements with due regard to the principles of orderly accounting (*GoB*) and by the management report will be detected with sufficient certainty. Knowledge of the business activity and of the economic and legal environment of the company and the expectations regarding potential errors have been taken into account when determining the audit procedures. Within the framework of the audit, the validity of the internal controlling system for the accounting and the documentation of the information in the accounting, annual financial statements and management report have been assessed largely on the basis of random sampling. The audit encompasses the assessment of the applied accounting principles, the material estimates of the legal representatives as well as the overall presentation of the annual financial statements and the management report. We are of the opinion that our audit forms a sufficiently secure basis for our assessment.

Our audit did not lead to any objections.

According to our assessment based on the findings obtained in our audit, the annual financial statements meet the provisions of law and provide a true and fair view of the financial, liquidity and earnings position of the company with due regard to the principles of orderly accounting (*GoB*). The management report is consistent with the annual financial statements and provides an accurate view of the company's situation as a whole and accurately presents the opportunities and risks associated with future development.

Munich, 15 April 2014

Roedl & Partner GmbH
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

[*Stamp of Roedl & Partner GmbH*]

[*Signature*]
Hager
Auditor

[*Signature*]
Decker
Auditor

Report of the Supervisory Board of United Mobility Technology AG
Concerning Its Activity in Financial Year 2013

Dear shareholders,

The Supervisory Board hereby issues the following report on its activity in financial year 2013:

The Supervisory Board carried out the tasks incumbent upon it in accordance with the law and the Articles of Association in financial year 2013 as well. The Board carefully and regularly monitored the Management Board. The Management Board reported to the Supervisory Board verbally and in writing on a regular basis about the business plans and general strategic plans, the operative business development, the risk management and all critical business events of the company. Decisions of fundamental significance for the company were discussed with the Supervisory Board and submitted to it for approval.

In financial year 2013, four Supervisory Board meetings took place on the following dates: 30 April, 5 August, 30 September and 20 December. All Supervisory Board members attended the meetings. In addition, further resolutions of the Supervisory Board with the participation of all members were adopted in votes by telephone. Moreover, the Supervisory Board also informed itself continuously outside of meetings in one-on-one discussions concerning the current business development.

The Management Board reported regularly on the course of business and presented the business administration figures in the course of the year.

In particular, the Management Board informed the Supervisory Board on an ongoing basis about progress in development and the marketing prospects of the "iPAYst" product.

At the Supervisory Board meeting on 30 April, the Management Board presented the Supervisory Board the audited and certified annual financial statements as of 12/31/2012. As in the previous year, it was not necessary to present a resolution on the appropriation of profit because the company disclosed an accumulated deficit as of the close of the financial year. After deliberation by the Supervisory Board members and hearing the independent auditor, the members unanimously adopted the annual financial statements as of 12/31/2012.

At the meeting of 5 August 2014, a modification in the Articles of Association was adopted for the partial use of the authorized capital.

At the meeting on 30 September, the Supervisory Board deliberated on the 2013 semi-annual financial statements and a preview of the further development and financing of the company after the capital increase. In addition, contractual renewals and adjustments regarding the tax and legal consultants were discussed.

At the Supervisory Board meeting on 20 December, the Management Board reported on the further business development, particularly the plans related to the further capital increase in 2014.

In financial year 2013, there were no committees of the Supervisory Board, nor were any new committees formed.

The 2013 annual financial statements and management report prepared by the Management Board in accordance with the provisions of the German Commercial Code were audited by Roedl & Partner GmbH Wirtschaftspruefungsgesellschaft Steuerberatungsgesellschaft, Nuremberg. The auditor issued an unqualified auditor's opinion.

The Supervisory Board was provided the report on the audit of the annual financial statements and the management report as of 31 December 2013 in due time before the meeting on 16 April 2014. The annual financial statements was discussed at the Supervisory Board meeting on 16 April 2014 together with the Management Board and the independent auditor. The Supervisory Board approvingly took note of the audit findings and did not raise any objections. The Supervisory Board audited the annual financial statements and the management report pursuant to § 171 of the Corporation Act and approved the annual financial statements of the company. The annual financial statements for financial year 2013 was thus adopted pursuant to § 172 of the Corporation Act on 16 April 2013.

The Supervisory Board would like to express to the Management Board member of the company its gratitude and recognition of his expert and personal dedication in the 2013 financial year just closed.

Munich, 16 April 2014

For the Supervisory Board

Walter Raizner
Chairman of the Supervisory Board