RNS Number : 4009O
MobilityOne Limited
29 June 2010

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MobilityOne Limited
("MobilityOne" or the "Company")

Audited results for the financial year ended 31 December 2009

MobilityOne (AIM : MBO), an e-commerce infrastructure payment solutions and platform provider via its subsidiaries MobilityOne Sdn Bhd ("**MobilityOne Malaysia**"), Netoto Sdn Bhd and PT MobilityOne Indonesia (collectively known as "**Group**"), announces its full year audited results for the financial year ended 31 December 2009.

Highlights:

- Revenue increased by 10.2% to £13.7 million (12 months ended 31 December 2008: £12.5 million)
- Loss after tax of £920k (12 months ended 31 December 2008: loss after tax of £880k)
- New agreements signed with Carrefour Malaysia and Telekom Malaysia Berhad in Malaysia, several telecommunications companies in Cambodia and PT Citra Multi Services in Indonesia

Notice of Annual General Meeting

The Company will today send to shareholders the Company's Annual Report for the financial year ended 31 December 2009 together with notice of the Company's Annual General Meeting to be held at 9.00 am (Malaysian time) on 21 July 2010 at Malaysian Petroleum Club, Level 42, Tower 2, Petronas Twin Towers, Kuala Lumpur City Centre, 50088 Kuala Lumpur, Malaysia.

The Annual Report will be available today on the Company's website: www.mobilityone.com.my.

About the Group:

MobilityOne is the holding company of an established group of companies in the business of providing e-commerce infrastructure payment solutions and platforms through their proprietary technology solutions, which are marketed under the brands MoCS and ABOSSE.

The Group has developed an end-to-end e-commerce solution which connects various service providers across several industries such as banking, telecommunication and transportation through multiple distribution devices such as EDC terminals, short messaging services, automated teller machines, and Internet banking.

The Group's technology platform is flexible, scalable and has been designed to facilitate cash, debit card and credit card transactions from multiple devices while controlling and monitoring the distribution of different products and services.

For more information, please refer to our website at www.mobilityone.com.my

For further information, please contact:

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Chairman's statement

[illegible]

Financial performance

[illegible]

Current trading and outlook

[illegible]

(i) [illegible]

(ii) [illegible]

(iii) [illegible]

(iv) [illegible]

[illegible]

Conclusion

On behalf of the Board of Directors, I would like to take this opportunity to thank the management and staff for their efforts and commitment over the year.

Dato' Dr. Wan Azmi bin Ariffin
Chairman

29 June 2010

CONSOLIDATED INCOME STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

	2009	2008
	£	£
Revenue	13,733,773	12,460,925
Cost of sales	(12,719,917)	(11,608,785)
GROSS PROFIT	1,013,856	852,140
Other operating income	71,713	136,014
Administration expenses	(1,496,741)	(1,343,110)
Other operating expenses	(435,114)	(512,744)
OPERATING LOSS	(846,286)	(867,700)
Finance costs	(71,057)	(48,347)
LOSS BEFORE TAX	(917,343)	(916,047)
Tax	-	36,895
LOSS AFTER TAX	(917,343)	(879,152)
Attributable to:		
Equity holders of the Company	(916,220)	(876,818)
Minority interest	(1,123)	(2,334)
	(917,343)	(879,152)
EARNINGS PER SHARE		
Basic earnings per share (pence)	(1.15)	(1.10)
Diluted earnings per share (pence)	(1.15)	(1.10)

CONSOLIDATED BALANCE SHEETS
AS AT 31 DECEMBER 2009

	At 31 December 2009	At 31 December 2008
	£	£
Assets		
Non-current assets		
Intangible assets	1,829,400	2,272,547
Property, plant and equipment	988,465	1,105,264
	2,817,865	3,377,811
Current assets		
Inventories	728,094	878,777
Trade receivables	333,737	415,289
Other receivables	81,976	48,233
Tax recoverable	7,434	8,179
Cash and cash equivalents	400,304	410,085
	1,551,545	1,760,563
Non-current assets held for sale	375,442	413,084
	1,926,987	2,173,647
Liabilities		
Current liabilities		
Trade payables	135,470	325,394
Other payables	314,092	222,259
Amount due to Directors	29,047	106,129
Borrowings - secured	1,182,498	688,273
	1,661,107	1,342,055
Liability relating to non-current assets held for sale	71,090	36,808
	1,732,197	1,378,863
Net current assets	194,790	794,787
Total assets less current liabilities	3,012,655	4,172,595
Non-current liabilities		
Borrowings - secured	70,318	180,045
Net assets	2,942,337	3,992,550
Shareholders' equity		
Equity attributable to equity holders of the Company		
Called up share capital	2,339,374	1,974,374
Share premium	784,234	782,234
Reverse acquisition reserve	708,951	708,951
Foreign currency translation reserve	552,141	1,049,357
Retained earnings	(1,439,436)	(523,216)
Shareholders' equity	2,943,264	3,991,700
Minority interest	(927)	850
Total Equity	2,942,337	3,992,550

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

	Non-Distributable				Distributable			
	Share capital	Share premium	Reverse acquisition reserve	Foreign currency translation reserve	Retained earnings	Total	Minority interest	Total
	£	£	£	£	£	£	£	£
As at 1 January 2008	2,348,430	782,234	708,951	71,567	1,372,532	5,283,714	-	5,283,714
Comprehensive income/(loss)								
Loss for the year	-	-	-	147,084	(876,818)	(729,734)	(2,334)	(732,068)
Foreign currency translation	-	-	-	830,706	-	830,706	-	830,706
Total comprehensive income for the year	-	-	-	977,790	(876,818)	100,972	(2,334)	98,638
Transactions with owners								
Acquisition of subsidiary company	-	-	-	-	-	-	3,184	3,184
Share buyback in MobilityOne Limited	(374,056)	-	-	-	(1,018,930)	(1,392,986)	-	(1,392,986)
Total transactions with owners for the year	(374,056)	-	-	-	(1,018,930)	(1,392,986)	3,184	(1,389,802)
As at 31 December 2008	**1,974,374**	**782,234**	**708,951**	**1,049,357**	**(523,216)**	**3,991,700**	**850**	**3,992,550**

	Non-Distributable				Distributable			
	Share capital	Share premium	Reverse acquisition reserve	Foreign currency translation reserve	Retained earnings	Total	Minority interest	Total
	£	£	£	£	£	£	£	£
As at 1 January 2009	1,974,374	782,234	708,951	1,049,357	(523,216)	3,991,700	850	3,992,550
Comprehensive income/(loss)								
Loss for the year	-	-	-	60,159	(916,220)	(856,061)	(1,123)	(857,184)
Foreign currency translation	-	-	-	(557,375)	-	(557,375)	(654)	(558,029)
Total comprehensive income for the year	-	-	-	(497,216)	(916,220)	(1,413,436)	(1,777)	(1,415,213)
Transactions with owners								
Issue of shares in MobilityOne Limited	365,000	-	-	-	-	365,000	-	365,000
Total transactions with owners for the year	365,000	-	-	-	-	365,000	-	365,000
As at 31 December 2009	**2,339,374**	**782,234**	**708,951**	**552,141**	**(1,439,436)**	**2,943,264**	**(927)**	**2,942,337**

Share capital is the amount subscribed for shares at nominal value.

Share premium represents the excess of the amount subscribed for share capital over the nominal value of the respective shares net of share issue expenses.

The reverse acquisition reserve relates to the adjustment required by accounting for the reverse acquisition in accordance with IFRS 3.

The Company's assets and liabilities stated in the Statement of Financial Position were translated into Pound Sterling (£) using the closing rate as at the Statement of Financial Position date and the income statements were translated into £ using the average rate for that period. All resulting exchange differences are taken to the foreign currency translation reserve within equity.

Retained earnings represent the cumulative earnings of the Group attributable to equity shareholders.

CONSOLIDATED CASH FLOW STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

	2009	2008
	£	£
Cash flows from operating activities		
Cash (depleted in)/generated from operations	(489,661)	2,060,020
Interest paid	(71,057)	(48,347)
Interest received	1,902	14,963
Net cash (used in)/generated from operating activities	(558,816)	2,026,636
Cash flows from investing activities		
Purchase of property, plant and equipment	(57,804)	(152,253)
Proceeds from disposal of property, plant and equipment	-	9,053
Proceeds from disposal of available for sale financial asset	-	60,252
Addition to development costs	-	(178,289)
Net cash used in investing activities	(57,804)	(261,237)
Cash flows from financing activities		
Drawdown of short term borrowings	472,719	126,028
Drawdown of term loan	-	136,030
Repayment of term loan	(89,122)	(68,649)
Repayment of finance lease payables	(4,662)	-
Share buyback	-	(1,392,986)
Proceeds from issuance of ordinary shares	365,000	-
Net cash generated from/(used in) financing activities	743,935	(1,199,577)
Increase in cash and cash equivalents	127,315	565,822
Effect of foreign exchange rate changes	(137,096)	(504,213)
Cash and cash equivalents at beginning of year	410,085	348,476
Cash and cash equivalents at end of year	400,304	410,085

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs and IFRIC interpretations) issued by the International Accounting Standards Board (IASB), as adopted by the European Union, and with those parts of the Companies (Jersey) Law 1991 applicable to companies preparing their financial statements under IFRS. The financial statements have been prepared under the historical cost convention.

2. Going concern

In order to assess the going concern of the Group, the Directors have prepared cashflow forecasts for companies within the Group. These cashflow forecasts show the Group will have increased sales based primarily on signed contracts and having sufficient headroom over available banking facilities. The Group has obtained banking facilities sufficient to facilitate the growth forecast in future periods. No matters have been drawn to the Directors' attention to suggest that future renewals may not be forthcoming on acceptable terms.

After making enquiries, the Directors have a reasonable expectation that the Group 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.

3. Functional and presentation currency

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The functional currency of the Group is Ringgit Malaysia (RM). The consolidated financial statements are presented in Pound Sterling (£), which is the Company's presentational currency as this is the currency used in the country in which the entity is listed.

Assets and liabilities are translated into Pound Sterling (£) at foreign exchange rates ruling at the Statement of Financial Position date. Results and cash flows are translated into Pound Sterling (£) using average rates of exchange for the period.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

The financial information set out below has been translated at the following rates:

	Exchange rate (RM: £)	
	At balance sheet date	Average for year/period
Year ended 31 December 2009	5.50	5.53
Year ended 31 December 2008	5.00	6.16

4. Segmental reporting

The Group's activities are treated as a single class of business, all arising from goods and services provided in the Far East. Accordingly, no segmental analysis of revenues, profits, assets and liabilities is available for presentation.

5. Taxation

The direct subsidiary company, MobilityOne Malaysia, was granted a MSC status (Pioneer Status) by Multimedia Development Corporate Sdn Bhd and is entitled to tax-free incentives in Malaysia for a period of five years effective from 27 April 2005 to 26 April 2010.

6. Earnings per share

The basic earnings per share is calculated by dividing the loss of £916,220 (2008: loss of £876,818) attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year, which is 79,934,951 (2008: 79,547,278).

The diluted earnings per share is calculated using the weighted average number of shares adjusted to assume the conversion of all dilutive potential ordinary shares. For the year ended 31 December 2009, the diluted earnings per share is equivalent to the basic earnings per share as the exercise price of the share options is above the current market price.

7. Contingent liabilities

Corporate guarantees of £1,109,090 given to a licensed bank by a subsidiary company, MobilityOne Malaysia, for credit facilities granted to a third party.

8. Significant accounting policies

Amortisation of intangible assets

Software is amortised over its estimated useful life. Management estimated the useful life of this asset to be within 5 years. Changes in the expected level of usage and technological development could impact the economic useful life therefore future amortisation could be revised.

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash generating units ("CGU") to which goodwill is allocated. Estimating a value-in-use amount requires management to make an estimation of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

The research and development costs are amortised on a straight-line basis over the life span of the developed assets. Management estimated the useful life of these assets to be within 5 years. Changes in the technological developments could impact the economic useful life and the residual values of these assets, therefore future amortisation charges could be revised.

The Group assesses at each reporting date whether there is an indication that an asset may be impaired, by considering the net present value of discounted cash flows forecasts. If an indication exists an impairment review is carried out. At the year end, there was no indication of impairment of the value of goodwill on consolidation or of development costs. During the financial year, the Group did not recognise any impairment loss in respect of the goodwill on consolidation

Impairment of goodwill on consolidation

The Group's cash flow projections include estimates of sales. However, if the projected sales do not materialise there is a risk that the value of goodwill would be impaired.

The Directors have carried out a detailed impairment review in respect of goodwill. The Group assesses at each reporting date whether there is an indication that an asset may be impaired, by considering the net present value of discounted cash flows forecasts which have been discounted at 8.5%. The cash flow projections are based on the assumption that the Group can realise projected sales. A prudent approach has been applied with no residual value being factored. At the period end, based on these assumptions there was no indication of impairment of the value of goodwill or of development costs.

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

Development costs

Development costs will not be amortised if the product is still in its development phase. The amortisation of the development costs is over 5 years period, which in the opinion of the Directors is adequate.

-Ends-

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