

MOBILITYONE LIMITED

05 July 2007

MobilityOne

Admission to AIM

MobilityOne (the 'Company'), a Malaysian e-payment solutions provider, announces the commencement today of trading in its ordinary shares on AIM.

As part of the flotation, HB Corporate placed 12,300,000 ordinary shares at 12.5p per share raising a total of £1,537,500 for the Company. At admission, there are 93,937,204 ordinary shares in issue giving a market capitalisation of £11.7m at the placing price.

MobilityOne has developed an advanced e-commerce system that connects service providers to consumers across a range of industries, taking in banking, telecommunications and transportation. Using the software consumers can access certain products via full-service terminals, self-service terminals, SMS, ATMs and the internet. Through these multiple distribution channels MobilityOne sells products including:

- prepaid mobile phone reloads
- prepaid international and local call card reloads
- prepaid internet usage reloads
- electronic ticketing for buses and events
- prepaid online gaming reloads.

At present approximately 90 per cent of its revenue is generated through prepaid mobile phone reloads. In contrast to the UK market, prepaid is by far the preferred method for phone usage in Malaysia and becoming increasingly more so. In 2006, 82.7% of the 19.5 million Malaysian mobile phone subscribers used prepaid, compared to 67.3% in 2002.

Hussian A. Rahman, MobilityOne CEO, commented: 'We are delighted with the support that we have received from investors and to list our shares on AIM. The money raised by the float will be used to develop and increase the number of distribution points from our existing 3,000 terminals; increase the range of products available for purchase through the platform technology; maintain R&D; and target organisations with large customer bases to provide the Company's Technology Managed Services.

'In addition the funds will assist our planned expansion into neighbouring areas such as Brunei, Cambodia, China, Indonesia, Bangladesh and Thailand - markets where prepaid phone penetration mirrors that of Malaysia.

HB Corporate is Nominated Adviser and Broker for the flotation.

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Notes to Editors

Business

MobilityOne is the holding company of an established and profitable group of companies based in Malaysia in the business of providing e-commerce infrastructure payment solutions and platforms through their proprietary technology solutions, which are marketed under the brands MoCS(TM) and ABOSSE(TM). The vast majority of the Group's income is currently derived from prepaid reloads for mobile phones, the Internet and IDD/STD (international and local call card services) but the nature of the Group's technology platform allows it to add further products and services.

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, SMS, ATMs, and Internet banking. Through the multiple distribution channels available the Group is currently selling the following products to consumers:

- Prepaid airtime for mobile phone reloads;
- Prepaid airtime for international and local calls;
- Prepaid Internet usage reloads;
- Prepaid mobile phone user registration;
- Electronic ticketing for buses and events; and
- Prepaid online gaming reloads.

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

With full ownership of the intellectual property rights, the Group generates revenues from its technology platform in three ways:

(a) By selling electronic based products via EDC terminals located in retail outlets including convenience stores, petrol stations and restaurants. The Group operates terminals under two brands: 'onepointTM' which is a full service terminal located behind the counter of a retail outlet and controlled by the merchant; and 'Mr Kiosk' which is a self service terminal located on the shop floor of a retail outlet. Revenues are generated on sales commissions and a fee per transaction basis depending on the product sold;

(b) By offering the Group's technology platform as a complete or partial Technology Managed Services ('TMS') to banks and MLM companies the Group can leverage off these partners' existing customer bases by integrating its technology platform into that partner's existing networks. Products and services can then be offered to the partners' customers through Internet banking and ATMs, in the case of banks, and through SMS, in the case of MLM companies. Revenue generated through TMS is shared between the Group and the TMS partner; and

(c) By providing or licensing all or part of the Group's technology platform to interested companies or partners both locally within Malaysia and in the future internationally. The Group intends to generate further revenues through license fees and the provision of system training and professional services with the possibility of further annual maintenance and support charges.

The Group's product suppliers are broadly categorised as prepaid product suppliers such as mobile, IDD/STD, Internet providers, and non-prepaid product suppliers, such as ticketing and Micro-Payment Recharge providers. Approximately 90 per cent. of the Group's revenue is generated from prepaid products.

Strategy

Following Admission to AIM, the Group's strategy will be focussed on the following areas:

- (a) Continue to Increase the Number of Distribution Points: Central to the Group's strategy following Admission is to continue to increase the number of distribution points available to consumers for the products and services offered through the Group's technology platform. The potential to increase the number of distribution points will come from the collaboration with additional merchants, banks and MLM companies;
- (b) Regional Expansion: The Group intends to market its technology platform throughout the surrounding region to Malaysia, in particular: Indonesia; the Philippines; Cambodia; Brunei; Thailand; Bangladesh; Vietnam and China. Any such expansion would be on a gradual basis and typically either by means of setting up a local sales office or establishing a joint venture with a local partner;
- (c) Continuous R&D: The Group intends to continue to allocate sufficient funds to continue the development and improvement of the Group's proprietary technology platform;
- (d) Expanding the Range of the Group's Products and Services: By expanding the range of products and services available on its technology platform, such as bill payments, the Group will be able to gain access to more markets to broaden its sources of revenue whilst at the same time reducing the relative risk of being over exposed to any particular market;
- (e) Developing New Distribution Channels: In addition to increasing the products and services, the Group intends to continue to develop and improve its available distribution channels; and
- (f) Targeting Organisations with Large Customer Bases: The Group intends to continue to target organisations with large customer bases that have networks of members or participating merchants that are reluctant to commit high capital expenditure to delivering new technologies.

Key Strengths

The Directors believe the Group has the following key strengths:

- (a) Proven Proprietary Technology: The Group's technology has been in operation in the market since 2004 and is accepted and utilised by several major banks, retailers and MNOs in Malaysia;
- (b) Multi Distribution Devices: The Group's technology platform has four distribution devices - namely terminals, SMS, ATMs and Internet banking networks. It has over 3,000 existing points of sale in the form of terminals with retail agents such as Shell, Petronas and BH Petrol and has commenced distribution via the Internet banking operations of certain major banks in Malaysia including CIMB and RHB giving the Group access to the banks' customers;
- (c) Broad Range of Products: The Group's technology supports multiple products including prepaid reloads for mobile phones, the Internet and IDD/STD (international and local call card services) together with ticketing for major events such as the Malaysian Grand Prix as well as day to day operations such as purchasing bus tickets;
- (d) Multi Payment: Unlike some competitors, the Group's technology solutions can facilitate payments through each of credit card, debit card and cash as well as by internet banking; and
- (e) Flexible Business Model: Ownership of its proprietary technology allows the Group to offer its technology solutions to customers in a number of ways either as an outsourced TMS or by way of licensing the technology to possible joint-venture partners in new countries.

Trading History

The consolidated income statement of MobilityOne Malaysia for the financial period ended ('FPE') 31 March 2004, financial year ended 31 March ('FYE') 2005, FYE 2006 and the 9-month period ended 31 December ('9mPE') 2006 is set out below and full details are set out in Part IV of this document:

	FPE 2004	FYE 2005	FYE 2006	9mPE 2006
	Audited	Audited	Audited	Audited
	£'000	£'000	£'000	£'000
Revenue	-	5,439	9,791	8,597
Cost of sales	-	(4,709)	(8,479)	(7,267)
Gross profit	-	730	1,312	1,330
Other operating income	-	-	-	22
Administrative expenses	(4)	(480)	(456)	(520)
Distribution costs	-	-	(442)	(306)
Operating (loss)/profit	(4)	250	414	526
Finance costs	-	-	(21)	(52)
(Loss)/Profit before taxation	(4)	250	393	474
Taxation	-	-	(2)	(32)
Net (loss)/profit for the FP/FY	(4)	250	391	442

The Placing

The Company is issuing 12,300,000 Placing Shares at 12.5 pence per Placing Share pursuant to the Placing to raise approximately £1.537 million before expenses. The Placing will provide additional funds for the Group's overseas expansion, continued roll out of terminals and to finance its R&D expenditures. In addition, the Placing proceeds will be applied towards the costs of Admission and to provide working capital for the Group.

Directors

The Directors of the Company on Admission are as follows:

Dato' Dr. Wan Azmi bin Ariffin
(Non-Executive Chairman)

Dato' Dr. Wan Azmi bin Ariffin, aged 63, is the Non-Executive Chairman of the Company. He began his career as a teacher for secondary schools from 1965 to 1977 and later became a university lecturer from 1979 to 1981. Since then, he has been active in the Malaysian politics and is currently a member of Parliament of Malaysia. He obtained his Bachelor Degree in Geography from Universiti Sains Malaysia and a Master's Degree in Economic Development and a PhD in Political Economics from McGill University, Canada.

Hussian @ Rizal bin A. Rahman
(Chief Executive Officer)

Hussian @ Rizal bin A. Rahman, aged 45, is the Chief Executive Officer of the Group. He has extensive experience in the IT and telecommunications industries in Malaysia and is responsible for the development of the Group's overall management, particularly in setting the Group's business direction and strategies. He obtained a certified Master of Business Administration from the Oxford Association of Management, England.

Derrick Chia Kah Wai
(Chief Technology Officer)

Derrick Chia Kah Wai, aged 36, is the Chief Technology Officer of the Group. He began his career as a programmer in 1994, he then joined GHL in January 1998 as a Software Engineer and was promoted to Software Development Manager in December 1999. He obtained his Bachelor Degree in Commerce, majoring in Management Information System from University of British Columbia, Canada. He joined the Group in May 2005 and is responsible for the Group's R&D team which include the architectural design of its technology platform.

Seah Boon Chin

(Corporate Finance Director)

Seah Boon Chin, aged 35, is the Corporate Finance Director of the Group. He began his career as a senior officer with Chung Khiaw Bank (Malaysia) Bhd (now United Overseas Bank (Malaysia) Berhad) from 1995 to 1996. From 1997 to January 2007, he worked in the Corporate Finance Department of established financial institutions in Malaysia and Singapore including CIMB Investment Bank Berhad, Affin Investment Bank Berhad and Public Investment Bank Berhad. He obtained his Bachelors Degree in Commerce (Honours) with Distinction from McMaster University, Canada. He joined the Group in January 2007 and is responsible for the Group's corporate finance activities.

Dato' Shamsir bin Omar

(Non-Executive Director)

Dato' Shamsir bin Omar, aged 73, is a Non-Executive Director of the Company. He commenced his career with the Malaysian Government in August 1960 as the Auditor and Accountant in the Department of Cooperative Development. In 1966, he was appointed as the Chief Accountant in the Ministry of Education, Malaysia. In 1967, he was promoted to the position of Deputy Accountant General in the Ministry of Finance, Malaysia. In 1968, he became the Accountant General, Malaysia, a post he held for 22 years until his retirement in July 1989. After retirement from government service in 1989, he joined Shamsir Jasani Grant Thornton, Malaysia. He has been the accounting firm's Chairman since then. He is a fellow member of the Institute of Chartered Accountants in Australia.

Kjetil Langland Bohn

(Non-Executive Director)

Kjetil Langland Bohn, aged 37, graduated from the Norwegian Business School in Bergen and began his career as a journalist with Hegnar Media AS from 1996 to 2000. In July 2000 he founded Viva Technologies AS and acted as CEO until February 2004 when he founded Vyke AS. He has extensive experience within the mobile service industry and mobile VoIP in Europe and Asia. He is currently the CEO of AIM quoted Vyke Communications plc.