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

Unaudited interim results for the six months ended 30 June 2012

E-commerce infrastructure payment solutions and platform provider MobilityOne (AIM:MBO) is pleased to announce its unaudited interim results for the six months ended 30th June 2012. The Company operates in Malaysia, Indonesia and Cambodia via its subsidiaries MobilityOne Sdn Bhd ("**MobilityOne Malaysia**"), Netoss Sdn Bhd and PT MobilityOne Indonesia (collectively known as the "**Group**").

Highlights:

- Revenue increased by 40.8% to £20.3 million (H1 2011: £14.4 million)
- Operating profit of £127,637 (H1 2011 : £8,169)
- Profit after tax of £44,716(H1 2011: loss after tax of £61,128)
- Main revenue from fast growing prepaid airtime reloads for mobile phones via banking channels and electronic data capture ("**EDC**") terminal basein Malaysia
- Expansion into the Philippines market underway

Dato' Dr. Wan Azmi bin Ariffin, Chairman, commented:

"We are pleased with the first half performance with a continued revenue growth and profit.

"The Directors are confident that the Group will continue to achieve further revenue growth in the second half of the year. The main contribution will still be from the Group's established, growing mobile phone prepaid airtime reload business in Malaysia via the Group's banking channels and EDC terminals. This growth will be organic or through strategic partnerships.

"As a result, we view the forthcoming period with renewed optimism and look forward to reporting a healthy set of full year results."

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About the Group:

MobilityOne is the holding company of an established group of companies that provide e-commerce infrastructure payment solutions and platforms through its proprietary technology solutions, marketed under the brands MoCSand 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 including EDC terminals, mobile devices, automated teller machines ("**ATM**") and internet banking.

The Group's technology platform is flexible, scalable and 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, refer to our website at www.mobilityone.com.my

Chairman's statement

In the first six months of 2012, the Group continued its revenue growth of 40.8%, recording a profit after tax, compared to a loss in the corresponding period last year. As in previous years, most revenue was contributed by the fast growing mobile phone prepaid airtime reload business via the banking channels. These include mobile banking, Internet banking and ATMs. Our clients include nine banks in Malaysia, and the EDC terminal base which includes those at Carrefour Malaysia's 23 hypermarkets and 20 express stores and Felda Trading Sdn Bhd's 200 plus retail chain stores in Malaysia.

On the international remittance services front, the Group is awaiting approval from the central bank of Malaysia to allow it to increase the number of approved outlets from its current six.

The Group's overseas expansion also continues to grow. We have contracts in Cambodia and Indonesia which are increasing at a slow but steady rate. We will continue to grow these business areas because we believe they will contribute positively to the Group's financial performance in the long term.

Financial performance

In the six months ended 30 June 2012, the Group recorded revenue of £20.3 million, representing an increase of 40.8% compared to £14.4 million in the corresponding half-year period in 2011 and a profit after tax of £0.04 million (H1 2011: loss after tax of £0.06 million).

The increase in revenue was mainly due to the higher sales for our existing mobile phone prepaid airtime reload business through our banking channels and EDC terminals.

Directorate change

During the period, Kjetil Bohn stepped down as a non-executive director of the Company to concentrate on other business interests. The Board would like to thank Kjetil Bohn for his contribution to MobilityOne.

Current trading and outlook

The Directors are confident that the Group will continue to achieve revenue growth in the second half of the year. The main contribution will still be from the Group's established, growing mobile phone prepaid airtime reload business in Malaysia via the Group's banking channels and EDC terminals. This growth will be organic or through strategic partnerships.

Overseas expansion continues to be the Group's priority. The business in Cambodia and Indonesia continues to contribute to the Group's overall revenue. We are continuing to explore other overseas opportunities and have already began preparations to expand into the Philippines market. We are at the moment preparing for the incorporation of a subsidiary and in discussions with several potential business partners in this area.

In addition to this the Group will, of course, continue to focus on its investment in research and development to support further business expansion.

Dato' Dr. Wan Azmi bin Ariffin
Chairman

14 September 2012

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2012

	Six months ended 30 June 2012 Unaudited £	Six months ended 30 June 2011 Unaudited £	Financial year Ended 31 Dec 2011 Audited £
CONTINUING OPERATIONS			
Revenue	20,307,466	14,423,911	31,860,274
Cost of sales	(18,906,831)	(13,340,963)	(29,464,977)
GROSS PROFIT	1,400,635	1,082,948	2,395,297
Other operating income	44,291	118,629	142,262
Administration expenses	(644,884)	(692,014)	(1,856,629)
Other operating expenses	(672,405)	(501,394)	(501,279)
OPERATING PROFIT	127,637	8,169	179,651
Finance costs	(82,921)	(69,297)	(150,849)
PROFIT/(LOSS) BEFORE TAX	44,716	(61,128)	28,802
Tax	-	-	(27,584)
PROFIT/(LOSS) FOR THE PERIOD	44,716	(61,128)	1,218
Attributable to:			
Owners of the parent	44,013	(53,762)	(1,341)
Non-controlling interest	703	(7,366)	2,559
	44,716	(61,128)	1,218
EARNINGS/(LOSS) PER SHARE			
Basic earnings/(loss) per share (pence)	0.047	(0.07)	0.001
Diluted earnings/(loss) per share (pence)	0.047	(0.07)	0.001

PROFIT/(LOSS) FOR THE PERIOD	44,716	(61,128)	1,218
OTHER COMPREHENSIVE INCOME			
Foreign currency translation	(258,242)	(229,274)	(76,536)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(213,526)	(290,402)	(75,318)
Total comprehensive loss attributable to:			
Owners of the parent	(214,229)	(302,509)	(77,877)
Non-controlling interest	703	12,107	2,559
	(213,526)	(290,402)	(75,318)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2012

	At 30 June 2012 Unaudited £	At 30 June 2011 Unaudited £	At 31 Dec 2011 Audited £
Assets			
Non-current assets			
Intangible assets	2,189,801	2,107,701	2,641,303
Property, plant and equipment	763,005	920,653	860,429
	2,952,806	3,028,354	3,501,732
Current assets			
Inventories	1,412,675	1,440,440	1,021,579
Trade receivables	802,544	1,840,542	1,049,948
Other receivables	295,654	207,561	591,404
Short term investment	-	1,768	-
Tax recoverable	5,971	-	11,125
Cash and cash equivalents	1,009,562	933,749	1,154,665
	3,526,406	4,424,060	3,828,721
Liabilities			
Current liabilities			
Trade payables	500,600	1,756,804	455,953
Other payables	276,120	421,738	454,565
Amount due to Directors	203,412	123,004	217,097
Loans and borrowings -secured	2,557,687	2,269,918	3,009,043
Tax Payable	-	-	26,517
	3,537,819	4,571,464	4,163,175
Net current (liabilities)/assets	(11,413)	(147,404)	(334,454)
Total assets less current liabilities	2,941,393	2,880,950	3,167,278

Non-current liabilities			
Loans and borrowings - secured	70,205	-	81,874
Net assets	2,871,188	2,880,950	3,085,404
Shareholders' equity			
Equity attributable to equity holders of the Company			
Called up share capital	2,339,374	2,339,374	2,339,374
Share premium	782,234	782,234	782,234
Reverse acquisition reserve	708,951	708,951	708,951
Foreign currency translation reserve	650,466	755,970	908,708
Retained earnings	(1,612,417)	(1,716,217)	(1,656,430)
Shareholders' equity	2,868,608	2,870,312	3,082,837
Non-controlling interest	2,580	10,638	2,567
Total Equity	2,871,188	2,880,950	3,085,404

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2012

	Non-Distributable				Distributable			
	Share Capital	**Share premium**	**Reverse acquisition reserve**	**Foreign currency translation reserve**	**Retained earnings**	**Total**	**Non-controlling interest**	**Total**
	£	**£**	**£**	**£**	**£**	**£**	**£**	**£**
As at 1 January 2012	2,339,374	782,234	708,951	908,708	(1,656,430)	3,082,837	2,567	3,085,404
Foreign currency translation	-	-	-	(258,242)	-	(258,242)	(690)	(258,932)
Profit for the period	-	-	-	-	44,013	44,013	703	44,716
As at 30 June 2012	**2,339,374**	**782,234**	**708,951**	**650,466**	**(1,612,417)**	**2,868,608**	**2,580**	**2,871,188**
As at 1 January 2011	2,339,374	782,234	708,951	985,244	(1,655,089)	3,160,714	(469)	3,160,245
Foreign currency translation	-	-	-	(229,274)	-	(229,274)	-	(229,274)
Loss for the period	-	-	-	-	(61,128)	(61,128)	11,107	(50,021)
As at 30 June 2011	**2,339,374**	**782,234**	**708,951**	**755,970**	**(1,716,217)**	**2,870,312**	**10,638**	**2,880,950**

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 STATEMENT OF CASH FLOWS

FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2012

	Six months Ended 30 June 2012 Unaudited £	Six months ended 30 June 2011 Unaudited £	Financial year ended 31 Dec 2011 Audited £
Cash flows from operating activities			
Cash generated from/(depleted in) operations	(39,946)	240,507	(28,695)
Interest paid	(84,028)	(69,941)	(150,849)
Interest received	-	-	18,816
Tax paid	-	7,434	(8,947)
Net cash (used in)/generated from operating activities	(123,974)	178,000	(169,675)
Cash flows from investing activities			
Purchase of property, plant and equipment	(32,121)	(10,288)	(56,716)
Purchase short term investment	-	-	-
Proceeds from disposals of short term investments	-	-	1,733
Proceeds from disposal of property, plant and equipment	-	3,185	5,382
Additions to development costs	(75,100)	-	(351,997)
Net cashused in investing activities	(107,221)	(7,103)	(401,598)
Cash flows from financing activities			
Drawdown of short term borrowings	687,798	335,208	372,703
Repayment of term loan	-	(100,223)	-
Repayment from finance lease payables	(8,297)	-	(14,948)
Net cash generated from financing activities	679,501	234,985	357,755
Increase/(decrease) in cash and cash equivalents	**448,306**	**405,882**	**(213,518)**
Effect of foreign exchange rate changes	**17,965**	**(204,569)**	**24,373**
Cash and cash equivalents at beginning of period/year	**543,291**	**732,436**	**732,436**
Cash and cash equivalents at end of period/year	**1,009,562**	**933,749**	**543,291**

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. Basis of preparation

The Group's interim financial statements for the six months ended 30 June 2012 were authorised for issue by the Board of Directors on 14 September 2012.

The interim financial statements are unaudited and 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. It has been prepared in accordance with IAS 34 "Interim Financial Reporting" and does not include all of the information required for full annual financial statements.The financial statements have been prepared under the historical cost convention.

Full details of the accounting policies adopted, which are consistent with those disclosed in the Company's 2011 Annual Report, will be included in the audited financial statements for the year ending 31 December 2012.

2. Basis of consolidation

The consolidated statement of comprehensive income and statement of financial position include financial statements of the Company and its subsidiaries made up to 30 June 2012.

3. Nature of financial information

The financial information contained in these interim financial statements for the six months ended 30 June 2012 and 30 June 2011 are unaudited. The comparative figures for the year ended 31 December 2011 do not constitute statutory financial statements of the Group. Full audited financial statements of the Group in respect of that financial year prepared in accordance with IFRS, which we received an unqualified audit opinion have been delivered to the Registrar of Companies.

4. 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/period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

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

	Exchange rate (RM: £)	
	At Statement of Financial Position date	Average for year/ period
Period ended 30 June 2012	4.98	4.89
Period ended 30 June 2011	4.86	4.91
Year ended 31 December 2011	4.90	4.91

5. Segmental analysis

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.

6. Taxation

Taxation on the income statement for the financial period comprises current and deferred tax. Current tax is the expected amount of taxes payable in respect of the taxable profit for the financial period and is measured using the tax rates that have been enacted at the Statement of Financial Position date.

Deferred tax is recognised on the liability method for all temporary differences between the carrying amount of an asset or liability in the Statement of Financial Position and its tax base at the Statement of Financial Position date. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted by the Statement of Financial Position date. The carrying amount of a deferred tax asset is reviewed at each Statement of Financial Position date and is reduced to the extent that it becomes probable that sufficient future taxable profit will be available.

Deferred tax is recognised in the income statement, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or negative goodwill.

7. Earnings per share

The basic earnings per share is calculated by dividing the profit in the six month period ended 30 June 2012 of £44,013 (30 June 2011: loss of £53,762 and year ended 31 December 2011: loss of £1,341) attributable to ordinary shareholders by the number of ordinary shares outstanding at 30 June 2012, at 30 June 2011 and for the financial year ended 31 December 2011 of 93,574,951.

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 period/year ended 30 June 2012, 30 June 2011 and 31 December 2011, the diluted earnings per share is equivalent to the basic earnings per share as the exercise price of the share options is above the average market price of ordinary shares during the period.

8. Reconciliation of profit before tax to cash generated from operations

	Six months ended 30 June 2012 Unaudited	Six months ended 30 June 2011 Unaudited	Financial year ended 31 Dec 2011 Audited
	£	**£**	**£**
Cash flow from operating activities			
Profit/(Loss) before tax	44,716	(61,128)	28,802
Adjustments for:			
Profit on disposal of property, plant and equipment	-	-	(3,146)
Depreciation	79,513	86,743	182,778
Amortisation of intangible assets	73,083	83,990	176,302
Amortisation of development costs	59,383	-	143,252
Impairment loss on development costs	27,688	-	63,695
Bad debts written off	-	-	31,096
Interest paid	84,028	69,941	150,849
Interest received	-	-	(18,816)
Operating profit before working capital changes	368,411	179,546	754,812
Increase in inventories	(391,096)	(91,382)	(198,040)
Decrease/(Increase) in receivables	256,739	(786,547)	(441,704)
Decrease in amount due to Directors	(13,685)	(115,694)	(21,447)
(Decrease)/increase in payables	(260,315)	1,054,584	(122,316)
Cash depleted in operations	(39,946)	240,507	(28,695)

9. Contingent liabilities

In the period under review, corporate guarantees of RM20.0 million (£4.1 million) were given to a licensed bank by a subsidiary company, MobilityOne Malaysia, for credit facilities.

10. Significant accounting policies

The interim consolidated financial statements have been prepared applying the same accounting policies that were applied in the preparation of the Company's published consolidated financial statements for the year ended 31 December 2011 except for the adoption of new and amended reporting standards, which are effective for periods commencing on or after 1 January 2012. Various amendments to standards and interpretations of standards are effective for periods commencing on or after 1 January 2012 as detailed in the 2011 Annual Report, none of which have any impact on reported results.

Amortisation of intangible assets

Software is amortised over its estimated useful life. Management estimated the useful life of this asset to be within 10 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.

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.

Research and development costs

All research costs are recognised in the income statement as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditures which do not meet these criteria are expensed when incurred.

Development costs, considered to have finite useful lives, are stated at cost less any impairment losses and are amortised through other operating expenses in the income statement using the straight-line basis over the commercial lives of the underlying products not exceeding 5 years. Impairment is assessed whenever there is an indication of impairment and the amortisation period and method are also reviewed at least at each Statement of Financial Position date.

11. <u>Dividends</u>

The Company has not proposed or declared an interim dividend.

12. <u>Interim report</u>

This interim financial statement will be, in accordance with Rule 26 of the AIM Rules for Companies, available on the Company's website at www.mobilityone.com.my.

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This information is provided by RNS
The company news service from the London Stock Exchange

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