

NS Trading Statement

TRADING UPDATE

MOBILITYONE LIMITED

Released 07:00:08 18 June 2025

RNS Number : 2727N
MobilityOne Limited
18 June 2025

Prior to publication, the information contained within this announcement was deemed by the Group to constitute inside information for the purposes of Regulation 11 of the Market Abuse (Amendment) (EU Exit) Regulations 2019/310. With the publication of this announcement, this information is now considered to be in the public domain.

18 June 2025

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

Trading update

MobilityOne (AIM: MBO), the e-commerce infrastructure payment solutions and platform provider, announces an update on trading and future outlook prior to release of its audited results for the financial year ended 31 December 2024 ("FY 2024") which are expected to be published by the end of June 2025.

Highlights:

- Unaudited revenue of £230.2 million (2023: revenue of £241.67 million) with the decline in revenue due to softer demand in the Group's mobile phone prepaid airtime reload and bill payment business;
- Increased unaudited loss after tax of £3.45 million (2023: loss after tax of £1.41 million);
- Cash and cash equivalents as at 31 December 2024 of £3.98 million (31 December 2023: £3.54 million);
- Secured loans and borrowings as at 31 December 2024 of £7.07 million (31 December 2023: £4.22 million);
and
- The Directors anticipate a challenging business environment and remain cautious about the outlook for the remainder of 2025. Notwithstanding this, the Group is implementing targeted initiatives across its core business segments aimed at turning around the Group's performance and positioning the Group for sustainable growth.

The Group expects to report revenues of approximately £230.2 million for FY 2024 (2023: revenue of £241.67 million). This decline in revenues is primarily due to softer demand in the Group's main market in Malaysia, particularly in the mobile phone prepaid airtime reloads and bill payment services through the Group's banking channels (i.e. mobile banking and internet banking) and electronic data capture terminals as well as third parties' e-wallet applications. As reported by the two main telecommunications companies in Malaysia, being Maxis and CelcomDigi, mobile prepaid revenues experienced a decline in 2024, with Maxis reporting a 2.1% decrease and CelcomDigi reporting a 3.5% decrease. This downward trend aligns with the broader telecommunications sector dynamics in Malaysia, where the overall mobile segment revenue trend is slightly down or relatively flat due to intense competition and price pressures.

In FY 2024, the Group also expects to register a loss after tax of £3.45 million (2023: loss after tax of £1.41 million). The Group's increase in loss after tax is mainly due to lower sales, higher administrative and marketing expenses aimed at customer acquisition and retention, higher finance costs and the Group's share of its 49%-owned associated company's loss, namely Sincere Acres Sdn Bhd ("**Sincere**") and its wholly-owned subsidiary, Hati International Sdn Bhd ("**Hati**"), a healthcare information systems provider in Malaysia.

As at 31 December 2024, the Group had unaudited cash and cash equivalents (excluding other financial assets which are fixed deposits with maturities over 3 months) of £3.98 million (31 December 2023: cash and cash equivalents (excluding other financial assets which are fixed deposits with maturities over 3 months) of £3.54 million) while the secured loans and borrowings from financial institutions increased to £7.07 million (31 December 2023: £4.22 million) mainly due to payments for higher cost of sales and higher administrative expenses.

All figures stated above for FY 2024 are based on unaudited financial figures and are subject to finalisation of the Group's audit. While the audit is ongoing, the auditors in both the UK and Malaysia are conducting an impairment assessment and are reviewing the possibility of a partial impairment in connection with the Company's investment in its 49% interest in Sincere, which is a holding company for Hati.

Outlook and business update:

Looking ahead, there are two major transactions pending completion, which are anticipated to materially impact the future financial performance and position of the Group.

(1) Disposal of OneShop Retail Sdn Bhd ("1Shop") and proposed joint venture with Super Apps Holdings Sdn Bhd ("Super Apps")

On 19 October 2022, MobilityOne Sdn Bhd ("**M1 Malaysia**") entered into a share sale agreement (the "**Share Sale Agreement**") with Super Apps for the disposal by M1 Malaysia of a 60% shareholding in the Group's wholly-owned non-core subsidiary 1Shop to Super Apps (together the "**Disposal**"). Concurrently, M1 Malaysia entered into a joint-venture cum shareholders agreement with Super Apps and 1Shop (together the "**Proposed Joint Venture**"). The intention of the Disposal and Proposed Joint Venture is to establish a new joint venture to expand the Group's e-products and services business initially in Malaysia.

The Disposal was initially subject to the completion of a merger exercise between Technology & Telecommunication Acquisition Corporation ("**TETE**") and Super Apps which includes certain approvals by the United States Securities and Exchange Commission ("**SEC**") (together the "**Merger Exercise**"). Subsequently it was announced on 1 March 2024 that M1 Malaysia had entered into a supplementary agreement with Super Apps to amend the terms and conditions of the Share Sale Agreement in preparation for the Merger Exercise (the "**Supplementary Agreement**"). Under the new terms and conditions of the Supplementary Agreement, completion of the Disposal is no longer conditional on the Merger Exercise completing. In this regard, it was instead agreed that the Disposal completes upon entry of the Supplementary Agreement. Notwithstanding completion, if the Merger Exercise does not complete, M1 Malaysia is entitled to purchase back the 60% interest in 1Shop from Super Apps for a nominal consideration of RM1.00.

It was further agreed that irrespective of the completion of the Disposal and subject to the completion of the Merger Exercise, Super Apps shall pay M1 Malaysia the following consideration:

- (a) RM40.0 million (c. £6.84 million) in cash within 14 days upon completion of the Merger Exercise; and

(b) RM20.0 million (c. £3.42 million) in cash within 180 days upon completion of the Merger Exercise.

In addition, pursuant to the terms of the Proposed Joint Venture, M1 Malaysia undertook to provide the necessary technical and business support to 1Shop and provided a guarantee that 1Shop would achieve revenues of at least RM560.0 million (equivalent to c. £95.8 million) in the financial year ending 31 December 2023 or any other period as mutually agreed (the "**Revenue Target**"). As the Merger Exercise has been delayed, the period to achieve the Revenue Target shall be re-assessed and agreed with Super Apps in due course. In order to achieve the Revenue Target, Super Apps undertakes to provide all the necessary working capital requirements of 1Shop. This will be supplemented through Super Apps, in conjunction with 1Shop, collaborating with other organisations. Moreover, Super Apps shall procure TETE to issue shares in TETE (the "**TETE Shares**") to a stakeholder to be mutually agreed by M1 Malaysia and Super Apps with aggregate value of RM20.0 million (equivalent to c. £3.42 million) within 14 days upon completion of the Merger Exercise. The issue price for the TETE Shares to the stakeholder will be determined at a later date. M1 Malaysia will only be entitled to receive the TETE Shares from the stakeholder following 1Shop achieving the Revenue Target.

Tete Technologies Inc, a wholly-owned subsidiary of TETE, has also filed a draft proxy statement ("**TETE Proxy Filing**") with the SEC and the TETE Proxy Filing is subject to the approval by the SEC.

The Company will release further announcements on matters relating to the Disposal, Proposed Joint Venture and Merger Exercise as and when appropriate.

(2) Acquisition of Hati via Sincere

On 29 September 2023, M1 Malaysia entered into a share sale agreement with United Flagship Development Sdn Bhd ("**Vendor**") to acquire a 49% equity interest in Sincere for a total cash consideration of RM30.0 million (c. £5.217 million) to be paid to the Vendor in two tranches. On 4 October 2023, the acquisition of Hati via Sincere completed and the first tranche, representing RM2.0 million (c. £0.348 million), has since been paid to the Vendor. The second tranche, representing the balance of RM28.0 million (c. £4.869 million) (the "**Second Tranche**"), was originally required to be paid by M1 Malaysia by 8 March 2024 (the "**Second Tranche Payment Date**").

The Second Tranche Payment Date has been subject to prior extensions and was most recently extended to 31 August 2025. Any payment in relation to the Second Tranche made after the Second Tranche Payment Date is subject to an interest charge of 10% per annum.

The Group anticipates a challenging business environment and remains cautious about the outlook for the remainder of 2025. As announced by the Group on 23 April 2025, the Group's collaboration with TETE continues with the relevant parties working towards a Merger Exercise deadline of 20 August 2025. Notwithstanding this, at this stage there can be no certainty that the Group will receive the consideration for the Disposal nor as to the completion of the Proposed Joint Venture. This is on the basis that both events are conditional on the completion of the Merger Exercise, which is outside of the Group's control. The payment for the consideration of the Disposal and the completion of the Proposed Joint Venture will represent a positive and material financial development for the Group. Consequently, any further delays to the Merger Exercise and/or the non-completion of the Merger Exercise itself will impact the Group's future financial position and business operations, including restricting the Group's future growth initiatives.

In recognition of the challenging business environment the Group has adopted a turnaround strategy. As part of this turnaround strategy, the Group has taken steps to implement a range of targeted initiatives across its core business segments.

In the mobile phone prepaid airtime reloads and bill payment services, the Group has embarked on a marketing strategy aimed at protecting its market share, with a focus on improving service quality while avoiding any pricing wars. Additionally, the Group intends to introduce higher-margin products such as game credits and gift vouchers to grow both revenues and margins. The e-payments business is also expected to grow as more businesses and transactions shift online.

As for the international remittance business, the Group will continue the marketing campaigns to capture greater market share while optimising foreign exchange and fee structures to improve margins. In addition, the Group is in the midst of forming partnerships with other local remittance licencees to leverage complementary strengths, such as agent network reach and regional expertise to enhance the Group's overall product offerings and broaden payout channels. These alliances, alongside enhanced connectivity with cash-in and cash-out partners, are expected to drive transaction volume growth and help improve the Group's overall margins.

Meanwhile, in the health technology segment, the Group and its associated company, Hati, are making good progress, with several contracts recently secured from hospitals in Thailand and Malaysia. This includes a contract with Sripath Medical Centre in Thailand for system development, system support and maintenance for a period of five years. The hospitals in Malaysia include three government-linked hospitals which are part of Selgate Corporation, a subsidiary of the Selangor State Development Corporation in Malaysia, for hospital systems with five years of system support and maintenance. The above contracts will serve as good references for Hati to expand into the Malaysian and Southeast Asian's electronic medical record and hospital information systems markets. While the health technology business shows strong promise, it also faces notable challenges, particularly rising manpower costs, increased competition from regional players, and the need for Hati to carefully manage its project pipeline to avoid overcommitment and to maintain service quality and post-implementation support excellence.

Collectively, the above initiatives are aimed at turning around the Group's performance and positioning the Group for sustainable growth.

Annual Report and Accounts

The Company expects to publish its annual audited report and accounts for the financial year ended 31 December 2024 at the end of June 2025.

The Company will release further announcements as and when appropriate.

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About the Group:

MobilityOne is one of the leading virtual distributors of mobile prepaid reload and bill payment services in Malaysia. With connections to various service providers across industries such as banking, telecommunications, utilities, government agencies, and transportation, the Group operates through multiple distribution channels including mobile wallets, e-commerce sites, EDC terminals, automated teller machines, kiosks, and internet & mobile banking. Holding licenses in regulated spaces including acquiring, e-money, remittance and lending, the Group offers a range of services to the market, including wallet, internet, and terminal-based payment services, e-money, remittance, lending, and custom fintech ecosystems for communities. The Group's flexible, scalable technology platform enables cash, debit card, and credit card transactions from multiple devices while providing robust control and monitoring of product and service distribution.

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

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