

27 September 2013

Proxama Plc
("Proxama" or the "Company")

Interim Results

Chairman's statement

I am pleased to present the results for our underlying business, Proxama Solutions Limited, formerly Proxama Limited, for the six months ended 30 June 2013. Historical financial information in respect of Proxama Limited for the three years ended 31 December 2012 was presented in the Company's AIM admission document. The financial information set out below covers a period prior to the reverse takeover of Longships plc and the re-admission to AIM of the enlarged group, renamed Proxama plc, on 23 August 2013.

Our business

Proxama is a next generation m-commerce company utilising NFC (Near Field Communications) and other technologies to connect the physical and digital worlds.

We provide services and products that enable our customers which include mobile operators, banks, brands, retailers and card issuers, to deploy mass market consumer mobile payment and marketing services all from one convenient mobile wallet.

An example of how we do this is the retailer, brand or their ad agency can set up campaigns through Proxama's TapPoint marketing platform to extend their existing physical world campaigns onto mobile. This allows consumers to interact with the offer / call to action digitally even in the physical world and can retain the offer / call to action on their mobile phone for future redemption of the loyalty / voucher or other campaign action. All the consumer has to do is simply "Tap" their NFC enabled mobile phone on outdoor advertising, in store sku or product labels, bar mats, beer pumps or any other physical asset that has an NFC tag to receive and store the offer on their mobile device.

Proxama's TapPoint platform does not stop there. The consumer can simply touch their phone onto the POS to redeem the offer stored on their phone and touch again to pay with their mobile credit card which we have ported for our card issuer / bank customers into their mobile wallet.

Using Proxama's proprietary technology our customers can provide a full commerce cycle service, from discovery through to redemption, payment and loyalty updates.

Proxama provides off the shelf white label products and services which are customisable as well as providing complete bespoke solution development depending on our customer's needs.

2013 focus

In the first half of the financial year Proxama focused on building its platform, products and services in preparation for the anticipated acceleration in NFC adoption and mobile commerce and we continue to work to secure key blue chip customer and partner relationships. We expect that the second half of the year will see us announcing some of these key relationships. Although we do not

believe the necessary infrastructure and NFC smart phone take up will be fully established until 2015 we anticipate very rapid growth from here.

AIM listing and future funding

Proxama Limited implemented its strategy to gain access to funds to help fund the growth of Proxama's business through its reverse into Longships plc. As stated in the company's AIM admission document, we plan to raise additional funds through a placing of shares in the next few months to execute our global ambitions in this very exciting growth market.

David Bailey
Chairman

Proxama Solutions Limited
Condensed statement of comprehensive income
For the six months ended 30 June 2013

	Six months to 30/06/13 £	Six months to 30/06/12 £	Year to 31/12/12 £
Continuing operations			
Revenue	344,344	808,911	1,381,096
Cost of sales	<u>(149,005)</u>	<u>(740,629)</u>	<u>(1,077,011)</u>
Gross profit	195,339	68,282	304,085
Administrative expenses	(1,546,088)	(650,434)	(2,146,587)
Other operating income	<u>1,800</u>	<u>389</u>	<u>32,858</u>
Operating loss	(1,348,949)	(581,763)	(1,809,644)
Financial income	526	-	1,740
Financial expense	<u>(9,663)</u>	<u>(1,733)</u>	<u>(3,360)</u>
Loss on ordinary activities before taxation	(1,358,086)	(583,496)	(1,811,264)
Taxation	<u>80,779</u>	<u>106,749</u>	<u>214,352</u>
Loss for the period attributable to equity holders of the company	<u>(1,277,307)</u>	<u>(476,747)</u>	<u>(1,596,912)</u>
Loss per share - basic and fully diluted	<u>(0.0596)</u>	<u>(0.0282)</u>	<u>(0.0854)</u>

Proxama Solutions Limited
Condensed statement of financial position
As at 30 June 2013

	As at 30/06/13 £	As at to 30/06/12 £	As at to 31/12/12 £
Non-current assets			
Property, plant and equipment	101,619	100,578	114,980
Other intangible assets	<u>263,097</u>	<u>7,941</u>	<u>7,487</u>
	364,716	108,519	122,467
Current assets			
Trade and other receivables	200,236	368,115	423,740
Current tax receivables	295,131	168,765	214,352
Cash and cash equivalents	<u>54,719</u>	<u>1,027,479</u>	<u>361,379</u>
	550,086	1,564,359	999,471
Current liabilities			
Trade and other payables	(422,087)	(232,569)	(253,605)
Current proportion of long-term borrowings	<u>(12,454)</u>	<u>(11,453)</u>	<u>(11,954)</u>
	(434,541)	(244,022)	(265,559)
Net current assets	115,545	1,320,337	733,912
Non-current liabilities			
Non-current borrowings	<u>(478,978)</u>	<u>(38,399)</u>	<u>(32,271)</u>
Net assets	<u>1,283</u>	<u>1,390,457</u>	<u>824,108</u>
Equity			
Share capital	2,170	2,012	2,116
Share premium	4,070,029	3,280,187	3,800,083
Share option reserve	203,041	39,943	73,759
Option premium on convertible notes	55,200	-	-
Capital reserve	209,791	209,791	209,791
Retained earnings	<u>(4,538,948)</u>	<u>(2,141,476)</u>	<u>(3,261,641)</u>
Equity shareholders' funds	<u>1,283</u>	<u>1,390,457</u>	<u>824,108</u>

Proxama Solutions Limited
Condensed statement of cash flows
For the six months ended 30 June 2013

	Six months to 30/06/13 £	Six months to 30/06/12 £	Year to 31/12/12 £
Cash flows from operating activities			
Loss before taxation	(1,358,086)	(583,496)	(1,811,264)
Adjustments for:			
Depreciation of property, plant and equipment	26,382	14,440	37,799
Amortisation of intangible assets	521	344	798
Financial income	(526)	-	(1,740)
Financial expense	9,663	1,733	3,360
Share-based payments	<u>129,282</u>	<u>29,503</u>	<u>63,319</u>
	(1,192,764)	(537,476)	(1,707,728)
(Increase)/decrease in trade and other receivables	(36,496)	(98,895)	80,480
Increase/(decrease) in trade and other payables	<u>168,482</u>	<u>(21,003)</u>	<u>33</u>
Cash used in operations	(1,060,778)	(657,374)	(1,627,215)
Income taxes received	<u>-</u>	<u>27,641</u>	<u>89,657</u>
Net cash used in operating activities	(1,060,778)	(629,733)	(1,537,558)
Cash flows used in investing activities			
Interest received	526	-	1,740
Purchase of intangible assets	(256,131)	(2,614)	(2,614)
Proceeds from the disposal of property, plant and equipment	-	-	-
Purchase of property, plant and equipment	<u>(13,021)</u>	<u>(48,808)</u>	<u>(86,569)</u>
Net cash used in investing activities	(268,626)	(51,422)	(87,443)
Cash flows from financing activities			
Interest paid	(1,384)	(1,733)	(3,360)
Proceeds from issue of share capital	530,000	1,569,700	1,854,700
Proceeds from issue of convertible notes	500,000	-	-
Repayment of borrowings	<u>(5,872)</u>	<u>(10,004)</u>	<u>(15,631)</u>
Net cash from financing activities	1,022,744	1,557,963	1,835,709
Net (decrease)/increase in cash and cash equivalents	(306,660)	876,808	210,708
Cash and cash equivalents at beginning of the period	<u>361,379</u>	<u>150,671</u>	<u>150,671</u>
Cash and cash equivalents at end of the period	<u><u>54,719</u></u>	<u><u>1,027,479</u></u>	<u><u>361,379</u></u>

Proxama Solutions Limited
Condensed statement of changes in equity
For the six months ended 30 June 2013

	Retained earnings	Share capital	Share premium reserve	Option Premium on convertible notes	Capital reserve	Share option reserve	Total
	£	£	£	£	£	£	£
1 January 2012	(1,664,729)	1,686	1,685,813	-	209,791	10,440	243,001
Loss for the year ended							
31 December 2012	(1,596,912)	-	-	-	-	-	(1,596,912)
Share-based payments	-	-	-	-	-	63,319	63,319
New shares issued	-	<u>430</u>	<u>2,114,270</u>	-	-	-	<u>2,114,700</u>
31 December 2012	(3,261,641)	2,116	3,800,083	-	209,791	73,759	824,108
Loss for the six months ended 30 June 2013	(1,277,307)	-	-	-	-	-	(1,277,307)
Share-based payments	-	-	-	-	-	129,282	129,282
Issue of convertible notes	-	-	-	55,200	-	-	55,200
New shares issued	-	<u>54</u>	<u>269,946</u>	-	-	-	<u>270,000</u>
30 June 2013	<u>(4,538,948)</u>	<u>2,170</u>	<u>4,070,029</u>	<u>55,200</u>	<u>209,791</u>	<u>203,041</u>	<u>1,283</u>