Listed on AIM of the London Stock Exchange

MOBILITYONE
TECHNOLOGY INNOVATION IN ONE

MOBILITYONE LIMITED
ANNUAL REPORT 2007

CONTENTS

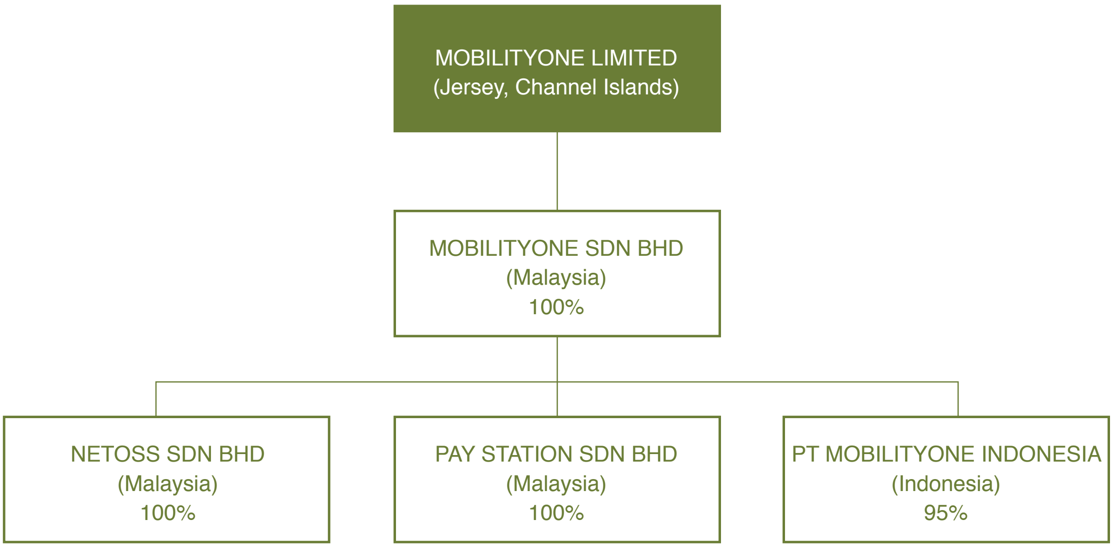
COMPANY INFORMATION

DIRECTORS	**DATO' DR. WAN AZMI BIN ARIFFIN** (Non-Executive Chairman) **HUSSIAN @ RIZAL BIN A. RAHMAN** (Chief Executive Officer) **DERRICK CHIA KAH WAI** (Chief Technology Officer) **SEAH BOON CHIN** (Corporate Finance Director) **DATO' SHAMSIR BIN OMAR** (Non-Executive Director) **KJETIL LANGLAND BOHN** (Non-Executive Director)
SECRETARY	Walkers (Jersey) Limited Walker House 28-34 Hill Street Jersey JE4 8PN Channel Islands
REGISTERED OFFICE	Walker House PO Box 72 28-34 Hill Street Jersey JE4 8PN Channel Islands
BUSINESS ADDRESS	No.2, 9th Floor, Wisma Menjalara Jalan 7A/62A, Bandar Menjalara 52200 Kuala Lumpur Malaysia Tel: +(603) 6286 1999
AUDITORS	Jeffreys Henry LLP Finsgate 5-7 Cranwood Street London EC1V 9EE United Kingdom
NOMINATED ADVISER AND BROKER	HB Corporate 40 Marsh Wall, London E14 9TP United Kingdom
FINANCIAL PUBLIC RELATIONS	Threadneedle Communications 107-111 Fleet Street London EC4A 2AB United Kingdom

CHAIRMAN'S STATEMENT

INTRODUCTION

MobilityOne Limited's organisation structure is depicted below:-



MobilityOne Limited acquired MobilityOne Sdn. Bhd. and its subsidiary company Netoss Sdn. Bhd. on 22 June 2007 and as a combined group was admitted on AIM of the London Stock Exchange with effect from 5 July 2007.

OPERATIONS REVIEW

2007 has been a highly satisfactory year for the Group, with both top line and bottom line growth and a successful listing on AIM of the London Stock Exchange on 5 July 2007. We experienced further growth in our existing operations of the banking payment channels with CIMB Bank Berhad and RHB Bank Berhad in Malaysia, as well as entering into a number of new agreements with other banks in Malaysia such as Bank Kerjasama Rakyat Malaysia Berhad and Affin Bank Berhad. These new agreements mean that our wide range of electronic based products and services will be made available to the banks' customers through their established payment channels, such as Internet banking and ATMs.

The Group's strategy for growth remains focused on on three principal areas: firstly, by increasing the range of products and services; secondly, by expanding our existing solution offerings by introducing complementary solutions to our current solution range and finally by expanding the business into further geographical markets. We are pleased to report that in view of our technological competitive strengths, we have developed additional solutions such as a payment system that supports various delivery channels like point of sale terminals, ATMs, self-service kiosks, web, mobile banking and interactive voice response system.

In terms of overseas expansion, the Group has made inroads into the Indonesian market where we have set up a 95%-owned subsidiary earlier this year, namely PT. MobilityOne Indonesia in Jakarta, to market our solutions to banks and telecommunication companies and a Memorandum of Understanding has been entered into with PT. Finnet Indonesia to develop an electronic mobile wallet in Indonesia. Earlier this year, we have also expanded to Cambodia where we have been appointed by Telekom Malaysia International (Cambodia) Co., Ltd, one of the major telecommunications companies in Cambodia, as its technology partner to provide the e-voucher and credit transfer platform for its telecommunications operations in Cambodia. In addition to the above countries, we are also in negotiations to extend our presence into Brunei, the Middle East and selected countries in the African continent.

We present the audited consolidated financial statements for MobilityOne Limited for the period ended 31 December 2007. The period was shortened as the Company was incorporated on 22 March 2007. In accordance with the AIM Rules, the Company is publishing its audited consolidated results for the period ended 31 December 2007.

RESULTS

The Group's revenue for the year ended 31 December 2007 was £16.6 million, up 43% from the corresponding period in 2006 of £11.6 million. This was mainly driven by the increase in transaction volumes and also the encouraging results from the transactions via the banks' payment channels.

In tandem with the revenue growth, the Group's operating profit increased by 21% to £820k (2006 : £679k), net profit after tax improved 29% to £733k (2006 : £568k) and earnings per share increase by 20% to 0.84 pence (2006 : 0.70 pence).

In the consolidated income statement, the comparative figures are for the 9-month period ended 31 December 2006.

CURRENT TRADING AND OUTLOOK

In the first half of the current year, the performance of the Group has been affected by the slowing down of the global economy whereby some of the Group's projects and business expansion have been delayed. In addition, the Group had incurred higher operating costs and expenses to explore new business opportunities in the overseas markets and to set up a new subsidiary in Indonesia. Nevertheless, we expect the performance of the Group to improve in the second half of the current year as some of the delayed projects would materialise and we will continue to expand upon our range of products and services, widen our solution range which, coupled with our overseas expansion provides confidence for the future performance of the Group.

Dato' Dr. Wan Azmi bin Ariffin
Chairman

Date: 19 June 2008

The Directors present their report with the financial statements of the Company and the Group for the period ended 31 December 2007.

PRINCIPAL ACTIVITY

The principal activity of the Group in the period under review was in the business of providing e-commerce infrastructure payment solutions and platforms.

KEY PERFORMANCE INDICATORS

	Year ended 31.12.2007 £
Revenue	16,573,813
Operating profit	819,675
Profit before tax	765,257
Net profit	733,089

KEYS RISKS AND UNCERTANTIES

Operational risks

The Group is not insulated from general business risk as well as certain risks inherent in the mobile prepaid industry in which the Group operates. This may include technological changes, unfavourable changes in Government and international policies, the introduction of new and superior technology or products and services by competitors and changes in the general economic, business and credit conditions.

Dependency on distributorships agreements

The Group relies on various telecommunication companies to provide the telecommunication products. Hence the Group's business may be materially and adversely affected if one or more of these telecommunication companies cut or reduce drastically the supply of their products. The Group has distributorship agreements with telecommunication companies such as DiGi Telecommunications Sdn. Bhd., Celcom (M) Berhad and Maxis Communication Berhad, which are subject to periodic renewal.

Rapid technological changes/product changes in the e-commerce industry

The ability to keep pace with rapid technological development in the e-commerce industry will affect the Group's revenues and profits. The e-commerce industry is characterised by rapid technological changes due to changing market trends, evolving industry standards, new technologies and emerging competition. Future success will be dependent upon the Group's ability to enhance its existing technology solutions and introduce new products and services to respond to the constantly changing technological environment. The timely development of new and enhanced services or products is a complex and uncertain process.

Demand of products and services

The Group's future results depend on the overall demand for its products and services. Uncertainty in the economic environment may cause some business to curtail or eliminate spending on payment technology. In addition, the Group may experience hesitancy on the part of existing and potential customers to commit to continuing with its new services.

REVIEW OF BUSINESS

The results for the year and financial position of the Company and the Group are as shown in the annexed financial statements.

RESULTS AND DIVIDENDS

The consolidated profit for the year ended 31 December 2007 is £733,089 (31.12.2006: £441,918) which have been transferred to reserves. No dividends will be distributed for the period ended 31 December 2007.

DIRECTORS

The Directors during the year under review were:

Dato' Dr. Wan Azmi bin Ariffin *(Non-Executive Chairman)*
Hussian @ Rizal bin A. Rahman *(Chief Executive Officer)*
Derrick Chia Kah Wai *(Chief Technology Officer)*
Seah Boon Chin *(Corporate Finance Director)*
Dato' Shamsir bin Omar *(Non-Executive Director)*
Kjetil Langland Bohn *(Non-Executive Director)*

All the Directors who are eligible offer themselves for re-election at the forthcoming Annual General Meeting.

The beneficial interests of the Directors holding office at 31 December 2007 in the ordinary shares of the Company were as follows:

Ordinary 2.5p shares

	Interest at 31.12.07	% of issued capital
Dato' Dr. Wan Azmi bin Ariffin	Nil	Nil
Hussian @ Rizal bin A. Rahman	27,452,111	29.2
Derrick Chia Kah Wai	Nil	Nil
Seah Boon Chin	Nil	Nil
Dato' Shamsir bin Omar	9,131,677	9.7
Kjetil Langland Bohn	Nil	Nil

The Directors also held the following ordinary shares under option:

	Interest at 31.12.07
Dato' Dr. Wan Azmi bin Ariffin	Nil
Hussian @ Rizal bin A. Rahman	2,000,000
Derrick Chia Kah Wai	2,000,000
Seah Boon Chin	2,000,000
Dato' Shamsir bin Omar	Nil
Kjetil Langland Bohn	Nil

The options were granted on 5 July 2007 at an exercise price of 12.5p. The period of the options is five years.

SUBSTANTIAL SHAREHOLDERS

As at 12 June 2008, the Company had been notified of the following beneficial interests in 3% or more of the issued share capital pursuant to Part VI of Article 110 of the Companies (Jersey) Law 1991:

Ordinary 2.5p shares

	Number of ordinary shares	% of issued capital
Hussian @ Rizal bin A. Rahman	27,452,111	34.8
Thornbeam Limited	16,048,922	20.3
Dato' Shamsir bin Omar	9,131,677	11.6
Perbadanan Nasional Berhad	5,290,000	6.7
GHL Systems Berhad	3,209,784	4.1

PUBLICATION OF ACCOUNTS ON COMPANY WEBSITE

Financial statements are published on the Company's website. The maintenance and integrity of the website is the responsibility of the Directors. The Directors' responsibility also extends to the financial statements contained therein.

INDEMNITY OF OFFICERS

The Group does maintain an appropriate insurance cover against legal action bought against its Directors and officers.

GROUP'S POLICY ON PAYMENT OF CREDITORS

It is the Group's normal practice to make payments to suppliers in accordance with agreed terms provided that the supplier has performed in accordance with the relevant terms and conditions.

EMPLOYEE INVOLVEMENT

The Group places considerable value on the involvement of the employees and has continued to keep them informed on matters affecting the Group. This is achieved through formal and informal meetings.

GOING CONCERN

After making appropriate enquiries, the Directors consider that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted for use in the European Union. The financial statements are required by law to give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business for the foreseeable future; and
- state that the financial statements comply with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Article 110 of the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Article 110 of the Companies (Jersey) Law 1991) of which the Group's auditors are unaware, and each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

Jeffreys Henry LLP were appointed auditors during the year will be proposed for re-appointment in accordance with Section 385 of the Article 110 of the Companies (Jersey) Law 1991.

ON BEHALF OF THE BOARD:

Hussian @ Rizal bin A. Rahman
Chief Executive Officer

Date: 19 June 2008

The Directors acknowledge the importance of the Principles set out in the Combined Code issued by the Committee on Corporate Governance. Although the Combined Code is not compulsory for AIM companies, the Directors intend to apply the principles as far as practicable and appropriate for a relatively small public company as follows:

THE BOARD OF DIRECTORS

The Board is responsible for strategy, performance, approval of major capital projects and the framework of internal controls. To enable the Board to discharge its duties, all Directors receive appropriate and timely information. Briefing papers are distributed to all Directors in advance of Board meetings. All Directors have access to the advice and services of the Company Secretary, who is responsible for ensuring that Board procedures are followed and that applicable rules and regulations are complied with.

AUDIT COMMITTEE AND REMUNERATION COMMITTEE

The Audit Committee and the Remuneration Committee comprise the Non-executive Directors. The Audit Committee receives and reviews reports from management and the Company's auditors relating to the annual and interim accounts and the accounting and internal control systems of the Company. The Audit Committee has unrestricted access to the Group's auditors.

The Remuneration Committee reviews the performance of the Executive Directors, sets their remuneration, determines the payment of bonuses to Executive Directors and considers the allocation of share options to Directors and employees.

INTERNAL FINANCIAL CONTROL

The Board is responsible for establishing and maintaining the Group’s system of internal financial control and places importance on maintaining a strong control environment. The key procedures which the Directors have established with a view to providing effective internal financial control are as follows:

- The Group’s organisational structure has clear lines of responsibility.
- The Company prepares a comprehensive annual budget that is approved by the Board. Monthly results are reported against the budget and variances are closely monitored by the Directors.
- The Board is responsible for identifying the major business risks faced by the Company and for determining the appropriate courses of action to manage those risks.
- The Board is involved in regular subsidiary company Board meetings and with structured operational reporting requirements.

The Directors recognise, however, that such a system of internal financial control can provide only reasonable, not absolute, assurance against material misstatement or loss. The Directors have reviewed the effectiveness of the system of internal financial control that will be operated by the Group.

SERVICE CONTRACTS

The Directors have service contracts and letters of appointment, which require not less than 3 months' notice of termination.

MODEL CODE

The Company has adopted and operates a share dealing code for Directors and senior executives on the same terms as the London Stock Exchange Model Code for companies whose shares have been admitted to AIM.

RELATIONS WITH SHAREHOLDERS

Communications with shareholders are given high priority. The Board uses the Annual General Meeting to communicate with investors and welcomes their participation. The Chairman aims to ensure that the Directors are available at Annual General Meetings to answer questions.

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

Dato' Dr. Wan Azmi bin Ariffin, a Malaysian aged 64, 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. 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, a Malaysian aged 46, 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, a Malaysian aged 37, is the Chief Technology Officer of the Group. He began his career as a programmer in 1994, he then joined GHL Systems Berhad 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, a Malaysian aged 36, is the Corporate Finance Director of the Company. 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 Bachelor 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, a Malaysian aged 73 is a Non-Executive Director of the Group. 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, a Norwegian aged 38 is a Non-Executive Director of the Company. He 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 prior to its acquisition. 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF MOBILITYONE LIMITED

We have audited the Group and the Company financial statements of MobilityOne Limited for the year/period ended 31 December 2007 which comprise of the Consolidated Income Statement, Consolidated Statement of Changes in Equity, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Cash Flow Statement, Company Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with Article 110 of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors

The Directors' responsibilities for preparing the financial statements in accordance with applicable law and International Financial Reporting Standards as adopted for use in the European Union are set out on page 8.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies (Jersey) Law 1991 and Article 4 of the IAS regulation. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition, we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. The other information comprises only the Chairman’s Statement, Corporate Governance Report and Directors’ Report. Our responsibility does not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Directors in the preparation of the Group’s financial statements, and of whether the accounting policies are appropriate to the Group’s and the Company’s circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Group’s financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the Group's financial statements give a true and fair view, in accordance with International Financial Reporting Standards as adopted for use in the European Union, of the state of affairs of the Group as at 31 December 2007 and of the profit of the Group for the period then ended;

- the Company's financial statements give a true and fair view, in accordance with International Financial Reporting Standards as adopted for use in the European Union, as applied in accordance with the provisions of the Companies (Jersey) Law 1991, of the state of the Company's affairs as at 31 December 2007;

- the financial statements have been properly prepared in accordance with the Companies (Jersey) Law 1991 and, in relation to the Group financial statements, Article 4 of the IAS regulation; and

- the information given in the Report of the Directors is consistent with the financial statements.

Jeffreys Henry LLP
Finsgate
Chartered Accountants and Registered Auditors
5-7 Cranwood Street
London
EC1V 9EE

Date: 23 June 2008

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2007

	Note	1.1.2007 TO 31.12.2007 £	1.4.2006 TO 31.12.2006 £
Revenue		16,573,813	8,597,494
Cost of sales		(14,448,152)	(7,267,468)
GROSS PROFIT		2,125,661	1,330,026
Other operating income		46,002	21,815
Administration expenses		(835,968)	(519,699)
Distribution costs		(516,020)	(305,737)
OPERATING PROFIT		819,675	526,405
Finance costs	6	(54,418)	(52,454)
PROFIT BEFORE TAX	7	765,257	473,951
Tax	8	(32,168)	(32,033)
PROFIT FOR THE YEAR/PERIOD		733,089	441,918
Attributable to:			
Equity holders of the Company		733,089	441,918
EARNING PER SHARE	10		
Basic earnings per share (pence)		0.84	0.54
Diluted earnings per share (pence)		0.84	0.54

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2007

		Non-Distributable			Distributable	
	Share capital	Share premium	Reverse acquisition reserve	Foreign currency translation reserve	Retained earnings	Total
	£	£	£	£	£	£
As at 1 April 2006	2,017,021	911	-	45,254	636,428	2,699,614
Profit for the period	-	-	-	(47,843)	441,918	394,075
Foreign currency translation	-	-	-	(160,019)	-	(160,019)
As at 31 December 2006	2,017,021	911	-	(162,608)	1,078,346	2,933,670
As at 1 January 2007	2,017,021	911	-	(162,608)	1,078,346	2,933,670
Profit for the year	-	-	-	31,651	733,089	764,740
Capitalised as bonus issue in subsidiary company	438,905	-	-	-	(438,903)	2
Conversion of redeemable preference shares in subsidiary company	293,044	-	-	-	-	293,044
Reverse acquisition	(708,040)	(911)	708,951	-	-	-
Issue of shares in MobilityOne Limited	307,500	782,234	-	-	-	1,089,734
Foreign currency translation	-	-	-	202,524	-	202,524
As at 31 December 2007	2,348,430	782,234	708,951	71,567	1,372,532	5,283,714

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. Share issue expenses in the year ended 31 December 2007 comprise a proportion of the costs incurred in respect of the initial public offering on the Alternative Investment Market of the London Stock Exchange.

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

The Company's assets and liabilities stated in the balance sheet were translated into Pound Sterling (£) using the closing rate as at the balance sheet 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.

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2007

	Note	2007 £	2006 £
ASSETS			
Non-current assets			
Intangible assets	11	1,303,983	1,181,990
Property, plant and equipment	12	1,506,937	940,148
Prepaid lease payments	13	167,555	162,967
		2,978,475	2,285,105
Current assets			
Inventories	15	918,118	646,062
Trade receivables	16	160,799	726,172
Other receivables	17	1,572,723	139,805
Tax recoverable		6,754	-
Available for sale financial asset	19	45,514	-
Cash and cash equivalents	20	348,476	868,167
		3,052,384	2,380,206
LIABILITIES			
Current liabilities			
Trade payables	21	6,280	384,991
Other payables	22	196,462	256,473
Amount due to Director		-	144,625
Borrowings – secured	23	359,678	500,865
		562,420	1,286,954
NET CURRENT ASSETS		2,489,964	1,093,252
Total assets less current liabilities		5,468,439	3,378,357
Non-current liabilities			
Redeemable cumulative convertible preference shares		-	289,250
Borrowings – secured	23	150,137	152,608
Deferred tax liability	24	34,588	2,829
		184,725	444,687
NET ASSETS		5,283,714	2,933,670

The notes form part of these financial statements

	Note	2007 £	2006 £
SHAREHOLDERS' EQUITY			
Equity attributable to equity holders of the Company:			
Called up share capital	25	2,348,430	2,017,021
Share premium	27	782,234	911
Reverse acquisition reserve	28	708,951	-
Foreign currency translation reserve	37	71,567	(162,608)
Retained earnings	38	1,372,532	1,078,346
TOTAL EQUITY		5,283,714	2,933,670

The notes form part of these financial statements

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2007

	Note	2007 £
ASSETS		
Non-current asset		
Investment in subsidiary companies	14	2,040,930
Current assets		
Amount due from subsidiary company	18	1,010,033
Cash and cash equivalents	20	62,742
		1,072,775
NET ASSETS		3,113,705
SHAREHOLDERS' EQUITY		
Equity attributable to equity holders of the Company:		
Called up share capital	25	2,348,430
Share premium	27	782,234
Retained earnings	27	(16,959)
TOTAL EQUITY		3,113,705

The notes form part of these financial statements

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2007

	Note	1.1.2007 TO 31.12.2007 £	1.4.2006 TO 31.12.2006 £
Cash flow from operating activities			
Cash (used in)/generated from operations	29	(672,251)	194,703
Interest paid		(51,260)	(52,454)
Interest received		625	343
Tax paid		-	(31,124)
Net cash (used in)/from operating activities		(722,886)	111,468
Cash flows from investing activities			
Purchase of property, plant and equipment		(669,977)	(35,157)
Purchase of available for sale financial asset		(45,514)	-
Addition to development costs		(68,995)	(87,831)
Net cash used in investing activities		(784,486)	(122,988)
Cash flows from financing activities			
(Repayment)/drawdown of term loan		(172,960)	653,473
Proceeds from issuance of ordinary shares (net of listing expenses)		1,089,734	-
Net cash generated from financing activities		916,774	653,473
(Decrease)/increase in cash and cash equivalents		(590,598)	641,953
Effect of foreign exchange rate changes		70,907	-
Cash and cash equivalents at beginning of year		868,167	226,214
Cash and cash equivalents at end of year	20	348,476	868,167

The notes form part of these financial statements

COMPANY CASH FLOW STATEMENT

For the period ended 31 December 2007

	Note	22.3.2007 TO 31.12.2007 £
Cash flow from operating activities		
Cash used in operations	29	(1,026,992)
Cash flows from financing activities		
Proceeds from issuance of ordinary shares (net of listing expenses)		1,089,734
Increase in cash and cash equivalents		62,742
Effect of foreign exchange rate changes		-
Cash and cash equivalents at beginning of year		-
Cash and cash equivalents at end of year	20	62,742

The notes form part of these financial statements

1. GENERAL INFORMATION

The principal activity of the Company is investment holding. The principal activities of the subsidiary companies are set out in Note 14 to the financial statements. There were no significant changes in the nature of these activities during the year.

The Company is incorporated in Jersey, The Channel Islands under the Companies (Jersey) Law 1991. The registered office is located at 28-34 Hill Street, St Helier, Jersey JE 4 8FN, Channel Islands. The consolidated financial statements for the year ended 31 December 2007 comprise the results of the Company and its subsidiary undertakings. The Company's shares are traded on the Alternative Investment Market of the London Stock Exchange.

MobilityOne Limited is the holding company of an established group of companies ("Group") based in Malaysia which 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 solutions 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 Machine and Internet banking.

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.

2. ACCOUNTING POLICIES

Basis of preparation

These 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.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are as follows:-

(i) Depreciation of property, plant and equipment

The costs of property, plant and equipment of the Group are depreciated on a straight-line basis over the useful lives of the assets. Management estimates the useful lives of the plant and equipment to be within 5 to 50 years. These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amounts of the Group's property, plant and equipment as at 31 December 2007 are disclosed in Note 12 to the financial statements.

(ii) Amortisation of prepaid lease payments

The costs of prepaid lease payments of the Group are amortised on a straight-line basis over the useful lives of the assets. These are common life expectancies applied in the industry. Changes in the expected level of usage could impact the economic useful lives and the residual values of these assets, therefore future amortisation charges could be revised. The carrying amounts of the Group's prepaid lease payments as at 31 December 2007 are disclosed in Note 13 to the financial statements.

2. ACCOUNTING POLICIES (Continued)

(iii) Estimation of fair value of properties

In the absence of current prices in an active market for similar properties, the Group considers information from a variety of sources, including:

(a) Current prices in an active market for properties of a different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences; or

(b) Recent prices of similar properties based on less active market, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices.

(iv) Impairment of goodwill on consolidation

The Group determines whether goodwill is impaired at least on an annual basis, in accordance with the accounting policy disclosed in impairment of assets. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of the Group's goodwill on consolidation as at 31 December 2007 is disclosed in the Note 11 to the financial statements.

(v) Income taxes

The Group has exposure to income taxes in numerous jurisdictions. There are certain transactions and computation for which the ultimate tax determination is uncertain during the ordinary course of business. Significant judgement is involved especially in determining tax base allowances and deductibility of certain expenses in determining the Group-wide provision for income taxes. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of theses matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(a) Standards, amendments and interpretations effective at 31 December 2007

The following interpretations to existing standards have been published that are mandatory for the company's accounting periods beginning on or after 1 January 2007 or later periods but that the Company has not adopted early:

- IFRS 7, 'Financial Instruments: Disclosure', and complementary amendment to IAS 1, 'Presentation of financial statements – Capital disclosures', introduces new disclosures relating to financial instruments and does not have any impact on the classification and valuation of the Company's financial instruments, or the disclosures relating to taxation and trade and other payables.

- IFRIC 8, 'Scope of IFRS 2', requires consideration of transactions involving the issuance of equity instruments, where the identifiable consideration received is less than the fair value of the equity instruments issues in order to establish whether or not they fall within the scope of IFRS 2. This standard does not have any impact on the Company's financial statements.

2. **ACCOUNTING POLICIES (Continued)**

(b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group

The following interpretations to existing standards have been published that are mandatory for the Company's accounting periods beginning on or after 1 January 2008 or later periods but that the Company has not adopted early:

- IAS 1 Revised – Presentation of Financial Statements (effective from 1 January 2009). Key changes include, the requirement to aggregate information in the financial statements on the basis of shared characteristics, the introduction of a Statement of Comprehensive Income & changes in titles of some of the financial statements.

  Preparers of financial statements will have the option of presenting income and expense and components of other comprehensive income either in a single statement or in two separate statements (a separate income statement followed by a statement of comprehensive income).

  The new titles for the financial statements (for example 'statement of financial position' instead of balance sheet) will be used in the accounting standards but are not mandatory for use in financial statements. The expected impact is still being assessed in detail by management as the IASB is involved in discussions to examine more fundamental questions about the presentation of information in financial statements.

- IFRS 8 – Operating Segments (effective from 1 January 2009). IFRS 8 replaces IAS 14 and aligns segment reporting with the requirements of the US standard SFAS 131, "Disclosures about segments of an enterprise and related information". The new standard requires a "management approach", under which segment information is presented on the same basis as that used for internal reporting purposes. The expected impact is still being assessed in detail by management, but it appears likely that the number of reportable segments, as well as the manner in which segments are reported, will change in a manner that is consistent with the internal reporting provided to the chief operating decision-maker.

(c) Interpretations to existing standards that are not yet effective and not relevant for the Company's operations

The following interpretations to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2008 or later periods but are not relevant to the Group's operations:

IFRIC 11 – IFRS 2 – Group and Treasury Share Transactions (effective from 1 March 2007)
IFRIC 12 – Service Concession Arrangements (effective from 1 January 2008)
IFRIC 13 – Customer Loyalty Programmes (effective from 1 July 2008)
IFRIC 14 – IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (effective from 1 January 2008)

2. ACCOUNTING POLICIES (Continued)

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiary companies) made up to 31 December each year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

Transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of its subsidiary companies have been changed (where necessary) to ensure consistency with the policies adopted by the Group.

(i) Subsidiary companies

Subsidiary companies are entities over which the Group has the ability to control the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity.

In the Company's separate financial statements, investments in subsidiary companies are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

(ii) Basis of consolidation

The share capital in the consolidated statement of changes in equity for the both the current and comparative period uses a historic exchange rate to determine the equity value.

On 22 June 2007 MobilityOne Limited acquired the entire issued share capital of MobilityOne Sdn. Bhd. by way of a share for share exchange, under IFRS this transaction meets the criteria of a Reverse acquisition. The consolidated accounts have therefore been presented under the Reverse Accounting principles of IFRS 3 and show comparatives for MobilityOne Sdn. Bhd. For financial reporting purposes, MobilityOne Sdn. Bhd. (the legal subsidiary company) is the acquirer and MobilityOne Limited (the legal parent company) the acquiree.

The consolidated financial statements prepared following the acquisition issued in the name of MobilityOne Limited, but they are a continuance of the financial statements of MobilityOne Sdn. Bhd. Therefore the assets and liabilities of MobilityOne Sdn. Bhd. have been recognised and measured in these consolidated financial statements at their pre-combination carrying values. The retained earnings and other equity balances recognised in these consolidated financial statements are the retained earnings and other equity balances of MobilityOne Sdn. Bhd. immediately before the business combination.

The amount recognised as issued equity instruments in the consolidated financial statements has been determined by adding the issued equity of MobilityOne Sdn. Bhd. immediately before the business combination to the cost of the consideration as set out on Note 25. However, the equity structure appearing in these consolidated financial statements (the number and type of equity instruments issued) reflect the equity structure of MobilityOne Limited, including equity instruments issued by the Company to effect the consolidation.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group.

2. ACCOUNTING POLICIES (Continued)

Basis of consolidation (continued)

All inter-group balances and transactions, including unrealised profits arising from intra-group transactions, are eliminated fully on consolidation.

Subsidiary companies are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. In preparing the consolidated financial statements, intragroup balances, transactions and unrealised gains or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for like transactions and events in similar circumstances.

No goodwill has been recorded and the difference between the parent Company's cost of investment and MobilityOne Sdn. Bhd.'s share capital and share premium is presented as a reverse acquisition reserve within equity on consolidation.

The consolidated financial statements incorporate the financial statements of the Company and all entities controlled by it after eliminating internal transactions. Control is achieved where the Group has the power to govern the financial and operating policies of a Group undertaking so as to obtain economic benefits from its activities. Undertakings' results are adjusted, where appropriate, to conform to Group accounting policies.

As permitted by and in accordance with Article 110 of the Companies (Jersey) Law 1991, a separate profit and loss account of MobilityOne Limited, is not presented.

Revenue recognition

Revenue is recognised when it is probable that economic benefits associated with the transaction will flow to the Group and the amount of the revenue can be measured reliably.

(i) Revenue from trading activities

Revenue in respect of using the Group's e-channel platform arises from the sales of prepaid credit, sales commissions received and fees per transaction charged to customers. Revenue for sales of prepaid credit is deferred until such time as the products and services are delivered to end users. Sales commissions and transaction fees are received from various product and services providers and are recognised when the services are rendered and transactions are completed.

Revenue from solution sales and consultancy comprise sales of software solutions, hardware equipment, consultancy fees and maintenance and support services. For sales of hardware equipment, revenue is recognised when the significant risks associated with the equipment are transferred to customers or the expiry of the right of return. For all other related sales, revenue is recognised upon delivery to customers and over the period in which services are expected to be provided to customers.

(ii) Interest income

Interest income is recognised on a time proportion basis that takes into account the effective yield on the asset.

2. ACCOUNTING POLICIES (Continued)

Employee benefits

(i) Short term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the period in which the associated services are rendered by employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensation absences. Short term non-accumulating compensated absences such as sick and medical leave are recognised when the absences occur.

The expected cost of accumulating compensated absences is measured as the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the balance sheet date.

(ii) Defined contribution plans

As required by law, companies in Malaysia make contributions to the state pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in the income statement in the period to which they relate.

Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of incentives received from the lessor) are charged to the income statement.

Functional currency translation

(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 balance sheet 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 2007	6.62	6.87
Period ended 31 December 2006	6.90	6.85

2. ACCOUNTING POLICIES (Continued)

Taxation

Taxation on the profit or loss 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 balance sheet date.

Deferred tax is recognised on the liability method for all temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base at the balance sheet date. Deferred tax liabilities are recognised for all taxable temporary differences and differed 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 balance sheet date. The carrying amount of a deferred tax asset is reviewed at each balance sheet 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.

Intangible assets

(i) 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 administrative expenses in the income statement using the straight-line basis over the commercial lives of the underlying products not exceeding five years. Impairment is assessed whenever there is an indication of impairment and the amortisation period and method are also reviewed at least at each balance sheet date.

(ii) Goodwill on consolidation

Goodwill acquired in a business combination is initially measured at cost, representing the excess of the purchase price over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities.

Following the initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment annually or more frequent when there is objective evidence that the carrying value may be impaired, in accordance with the accounting policy disclosed in impairment of assets.

Gains or losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

2. ACCOUNTING POLICIES (Continued)

Impairment of assets

The carrying amounts of assets are reviewed at each reporting date to determine whether there is any indication of impairment.

If any such indication exists then the asset's recoverable amount is estimated. For goodwill that has an indefinite useful life, recoverable amount is estimated at each reporting date or more frequently when indications of impairment are identified.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount unless the asset is carried at a revalued amount, in which case the impairment loss is recognised directly against any revaluation surplus for the asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. A cash-generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Impairment losses are recognised in the income statement in the period in which it arises. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment loss on goodwill is not reversed in a subsequent period. An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in the income statement unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase.

Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

The cost of property, plant and equipment recognised as a result of a business combination is based on fair value at acquisition date. The fair value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The fair value of other items of plant and equipment is based on the quoted market prices for similar items.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

2. ACCOUNTING POLICIES (Continued)

Property, plant and equipment (continued)

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the income statement as incurred.

(iii) Depreciation

Depreciation is recognised in the income statement on a straight-line basis over the estimated useful lives of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows:-

Building	50 years
Electronic Data Capture equipment	10 years
Computer equipment	5 years
Computer software	10 years
Furniture and fittings	10 years
Office equipment	10 years
Renovation	10 years

The depreciable amount is determined after deducting the residual value.

Depreciation methods, useful lives and residual values are reassessed at each financial period end.

Upon disposal of an asset, the difference between the net disposal proceeds and the carrying amount of the assets is charged or credited to the income statement. On disposal of a revalued asset, the attributable revaluation surplus remaining in the revaluation reserve is transferred to the distribution reserve.

Investments

Investments in subsidiary companies are stated at cost less any provision for impairment.

Prepaid lease payments

Leasehold land that normally has an indefinite economic life and its title is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted as prepaid lease payments that is amortised over the lease term except for leasehold land classified as investment property. The land and building elements of a lease of land and buildings are considered separately for the purposes of lease classification.

2. ACCOUNTING POLICIES (Continued)

Available for sale financial assets

The Group's investment in equity securities and certain debt securities are classified as available for sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign exchange gains and losses on available for sale monetary items, are recognised directly in equity. When an investment is derecognised, the cumulative gain or loss in equity is transferred to profit or loss. If an equity instrument cannot be reliably measured, then it is carried at amortised cost.

Inventories

Inventories are valued at the lower of cost and net realisable value and are determined on the first-in-first-out method, after making due allowance for obsolete and slow moving items. Net realisable value is based on estimated selling price in the ordinary course of business less the costs of completion and selling expenses.

Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at their cost when the contractual right to receive cash or other financial assets from another entity is established.

A provision for doubtful debts is made when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments are considered indicators that a trade and other receivables are impaired.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less which have an insignificant risk of changes in value and bank overdrafts. For the purpose of cash flow statement, cash and cash equivalents are presented net of bank overdrafts.

Trade and other payables

Trade and other payables are recognised initially at fair value of the consideration to be paid in the future for goods and services received.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

When the borrowings are made specifically for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of funds drawndown from those borrowings.

When the borrowings are made generally, and used for the purpose of obtaining a qualifying asset, the borrowing costs eligible for capitalisation are determined by applying a capitalisation rate which is weighted on the borrowing costs applicable to the Group's borrowings that are outstanding during the financial period, other than borrowings made specifically for the purpose of acquiring another qualifying asset.

2. ACCOUNTING POLICIES (Continued)

Borrowing costs (continued)

Borrowing costs which are not eligible for capitalisation are recognised as an expense in the income statement in the period in which they are incurred.

Equity instruments

Instruments that evidence a residual interest in the assets of the Group after deducting all of its liabilities are classified as equity instruments. Issued equity instruments are recorded at proceeds received net of direct issue costs.

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of value added tax, from the proceeds.

Financial instruments

Financial instruments carried on the balance sheet include cash and bank balances, deposits, investments, receivables, payables and borrowings. Financial instruments are recognised in the balance sheet when the Group has become a party to the contractual provisions of the instrument.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends and gains and losses relating to a financial instrument classified as a liability, are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity. Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

The particular recognition method adopted for financial instruments recognised on the balance sheet is disclosed in the individual accounting policy statements associated with each item.

Share based payments

Charges for employees services received in exchange for share based payments have been made for all options granted in accordance with IFRS 2 “Share Based Payments” options granted under the Group’s employee share scheme are equity settled. The fair value of such options has been calculated using a Black-scholes model, based upon publicly available market data, and is charged to the income statement over the vesting period.

3. FINANCIAL INSTRUMENTS

(a) Financial risk management objectives and policies

The Group and the Company’s financial risk management policy is to ensure that adequate financial resources are available for the development of the Group and of the Company’s operations whilst managing its financial risks, including foreign currency exchange risk, interest rate risk, market risk, credit risk, liquidity risk and cash flow risk. The Group and the Company operates within clearly defined guidelines that are approved by the Board and the Group’s policy is not to engage in speculative transactions.

3. FINANCIAL INSTRUMENTS (Continued)

(b) Interest rate risk

The Group's and the Company's income and operating cash flows are substantially independent of changes in market interest rates. Interest rate exposure arises from the Group's and the Company's borrowings and deposits. The Group and the Company monitors the interest rates constantly although the prevailing interest rates are low.

(c) Credit risk

The Group's and the Company's exposure to credit risk arises mainly from receivables. Receivables are monitored on an ongoing basis via management reporting procedure and action is taken to recover debts when due. At each balance sheet date, there was no significant concentration of credit risk. The maximum exposure to credit risk for the Group and the Company is the carrying amount of the financial assets shown in the balance sheet.

(d) Foreign currency exchange risk

The Group and the Company is exposed to foreign currency risk on sales, purchases and borrowings that are denominated in a currency other than Ringgit Malaysia. The currency giving rise to this risk is primarily US dollars. The Group and the Company maintains a natural hedge that minimises the foreign exchange exposure by matching foreign currency income with foreign currency costs.

The Group does not consider it necessary to enter into foreign exchange contracts in managing its foreign exchange risk resulting from cash flows from transactions denominated in foreign currency, given the nature of the business for the time being.

The net unhedged financial liabilities of the Group that are denominated in its functional currency are as follows:-

	Net Financial Liabilities Held in Non-Functional Currency	
	US Dollars	**Total**
	£	**£**
Group		
At 31 December 2007		
Trade payables	-	-
Group		
At 31 December 2006		
Trade payables	211,221	211,221

(e) Liquidity and cash flow risks

The Group and the Company seeks to achieve a flexible and cost effective borrowing structure to ensure that the projected net borrowing needs are covered by available committed facilities. Debt maturities are structured in such a way to ensure that the amount of debt maturing in any one year is within the Group's and the Company's ability to repay and/or refinance.

The Group and the Company also maintains a certain level of cash and cash convertible investments to meet its working capital requirements.

3. FINANCIAL INSTRUMENTS (Continued)

(f) The carrying amounts of financial liabilities of the Group and the Company at the balance sheet date approximated their fair values except for the following:-

The aggregate fair values of the other financial assets and liabilities are as follows:-

	2007		2006	
	Carrying amount £	Fair value £	Carrying amount £	Fair value £
Group/Company				
Financial liabilities				
Bank borrowings	150,137	123,484	152,609	127,022
Contingent liabilities	7,556	@	-	-
Redeemable Cumulative Convertible Preference Share	-	-	289,251	289,061

@ It is not practicable to estimate the fair value of contingent liabilities reliably due to the uncertainties of timing, cost and eventual outcome.

The following methods and assumptions are used to estimate the fair values of the following classes of financial instruments:-

(i) The carrying amounts of cash and cash equivalents, trade and other receivables/payables and short term borrowings approximate fair values due to the relatively short term maturity of these financial instruments.

(ii) The fair value of borrowings is estimated by discounting the expected future cash flows using the current interest rates for liabilities with similar risk profiles.

4. EMPLOYEES AND DIRECTORS

	Group	
	1.1.2007 to 31.12.2007 £	1.4.2006 to 31.12.2006 £
EMPLOYEE		
Wages, salaries and bonuses	363,911	269,409
Social security contribution	4,381	4,834
Contribution to defined contribution plan	43,538	24,823
	411,830	299,066
Less: Capitalised in development costs	(55,097)	(62,069)
	356,733	236,997
DIRECTORS		
Fees	58,498	-
Wages, salaries and bonuses	45,808	19,668
Social security contribution	90	-
Contribution to defined contribution plan	5,497	2,360
Total remuneration	109,893	22,028
Less: Capitalised in development costs	(14,660)	(22,028)
	95,233	-

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. FINANCE COSTS

	Group	
	1.1.2007 to 31.12.2007 £	1.4.2006 to 31.12.2006 £
Bank charges and fees	3,158	-
Redeemable cumulative convertible preference shares dividend	12,997	44,678
Bankers' acceptance interest	25,219	-
Term loans interest	13,044	7,776
	54,418	52,454

7. PROFIT BEFORE TAX

The profit before tax is stated after charging/(crediting):

	Group	
	1.1.2007 to 31.12.2007	**1.4.2006 to 31.12.2006**
	£	**£**
Auditors' remuneration	2,836	-
Employee benefits expense (excluding Directors' remuneration)	356,733	236,997
Directors' remuneration	95,233	-
Depreciation	139,888	96,254
Amortisation of prepaid lease payments	2,617	1,263
Operating lease expense	18,485	11,628
Gain on foreign exchange		
- realised	-	(1,244)
- unrealised	-	(20,183)

8. TAX

	Group	
	1.1.2007 to 31.12.2007	1.4.2006 to 31.12.2006
	£	£
Current tax expense:		
UK corporation tax for the period	-	-
Foreign tax	-	-
Underprovision in prior years: Foreign tax	1,724	31,117
	1,724	31,117
Deferred tax:		
- relating to origination and reversal of temporary differences	592	916
- effect of changes in tax rate	(1,233)	-
- underprovision in prior year	31,085	-
	30,444	916
	32,168	32,033

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company are as follows:-

	Group	
	1.1.2007 to 31.12.2007	1.4.2006 to 31.12.2006
	£	£
Profit before tax	765,257	473,951
Taxation at UK Corporation tax rate of 30% (2006: 30%)	229,577	142,185
Effect of different tax rates in other countries	(25,321)	(9,804)
Tax benefit applicable to small and medium companies	(73)	-
Pioneer status tax incentive	(229,744)	-
Effect of expenses not deductible for tax	26,153	962
Effect of income not subject to tax	-	(132,427)
Effect of changes in tax rate	(1,233)	-
Underprovision of tax expenses in prior years	1,724	31,117
Underprovision of deferred tax in prior year	31,085	-
Tax expense for the year/ period	32,168	32,033

As at 31 December 2007, the Group has unutilised capital allowances amounting to approximately £10,638 available for carry forward to set-off against future taxable profits. The said amounts are subject to approval by the tax authorities.

The direct subsidiary company, MobilityOne Sdn. Bhd., was granted Pioneer Status by the relevant authorities for a period of five years effective from 27 April 2005 to 26 April 2010.

9. LOSS OF COMPANY

The income statement of the Company is not presented as part of these financial statements. The Company's loss for the financial period was £16,959 (2006: NIL).

10. EARNINGS PER SHARE

	Group	
	2007	**2006**
Consolidated profit after taxation (£)	733,089	441,918
Adjusted consolidated profit after taxation (£)	733,089	441,918
Weighted average number of shares in issue	87,669,255	81,637,204
Fully diluted weighted average number of shares in issue	87,669,255	81,637,204
Basic earnings per share (pence)	0.84	0.54
Diluted earnings per share (pence)	0.84	0.54

The basic earnings per share is calculated by dividing the profit of £733,089 (2006: £441,918) attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period, which is 87,669,255 (2006: 81,637,204).

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 2007, 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.

11. INTANGIBLE ASSETS

Cost	Goodwill on consolidation £	Development costs £	Total £
At 1 January 2007	986,129	195,861	1,181,990
Additions	-	68,995	68,995
Foreign exchange difference	44,217	8,781	52,998
Balance at 31 December 2007	1,030,346	273,637	1,303,983
Amortisation and impairment losses	-	-	-
Net book value at 31 December 2007	1,030,346	273,637	1,303,983
At 1 January 2006	1,067,039	116,893	1,183,932
Additions	-	87,831	87,831
Foreign exchange difference	(80,910)	(8,863)	(89,773)
Balance at 31 December 2006	986,129	195,861	1,181,990
Amortisation and impairment losses	-	-	-
Net book value at 31 December 2006	986,129	195,861	1,181,990

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 period end, there was no indication of impairment of the value of goodwill on consolidation or of development costs.

Goodwill on consolidation

(a) Impairment testing for goodwill on consolidation

Goodwill on consolidation has been allocated for impairment testing purposes to the individual entities which is also the cash-generating units ("CGU") identified.

(b) Key assumptions used to determine recoverable amount

The recoverable amount of a CGU is determined based on value in use calculations using cash flow projections based on financial budgets approved by the Directors covering a five-year period. A pre-tax discount rate of 8.50% per annum was applied to the cash flow projections, after taking into consideration the Group's cost of borrowings, the expected rate of return and various risks relating to the CGU.

During the financial year, the Group did not recognise any impairment loss in respect of the goodwill on consolidation.

Development costs

Development costs will not be amortised if the products is still in its development phase. The amortisation of the development costs is over 5 years period. No development costs were charged to the income statement during the period.

12. PROPERTY, PLANT AND EQUIPMENT

Group 31 December 2007	Building £	Electronic Data Capture equipment £	Computer equipment £	Computer software £	Furniture and fittings £	Office equipment £	Renovation £	Total £
COST								
At 1 January 2007	149,702	95,307	273,649	562,950	30,714	18,977	26,355	1,157,654
Additions	-	85,280	37,594	540,189	2,958	2,512	1,444	669,977
Disposals	-	-	-	-	-	-	-	-
Foreign exchange difference	6,713	4,274	12,269	25,239	1,378	851	1,183	51,907
At 31 December 2007	156,415	184,861	323,512	1,128,378	35,050	22,340	28,982	1,879,538
DEPRECIATION								
At 1 January 2007	2,831	18,427	57,886	130,298	3,156	2,272	2,636	217,506
Charge for the period	3,011	12,236	59,450	57,199	3,225	1,995	2,772	139,888
Disposals	-	-	-	-	-	-	-	-
Foreign exchange difference	244	1,302	4,914	8,073	268	180	226	15,207
At 31 December 2007	6,086	31,965	122,250	195,570	6,649	4,447	5,634	372,601
NET CARRYING AMOUNT								
At 31 December 2007	150,329	152,896	201,262	932,808	28,401	17,893	23,348	1,506,937

12. PROPERTY, PLANT AND EQUIPMENT (Continued)

Group 31 December 2006	Building £	Electronic Data Capture equipment £	Computer equipment £	Computer software £	Furniture and fittings £	Office equipment £	Renovation £	Total £
COST								
At 1 January 2006	154,206	103,127	269,539	608,356	31,380	19,470	28,517	1,214,595
Additions	7,189	-	24,548	723	1,714	983	-	35,157
Disposals	-	-	-	-	-	-	-	-
Foreign exchange difference	(11,693)	(7,820)	(20,438)	(46,129)	(2,380)	(1,476)	(2,162)	(92,098)
At 31 December 2006	149,702	95,307	273,649	562,950	30,714	18,977	26,355	1,157,654
DEPRECIATION								
At 1 January 2006	1,122	12,204	19,923	95,344	948	948	713	131,202
Charge for the period	1,794	7,148	39,474	42,185	2,280	1,396	1,977	96,254
Disposals	-	-	-	-	-	-	-	-
Foreign exchange difference	(85)	(925)	(1,511)	(7,231)	(72)	(72)	(54)	(9,950)
At 31 December 2006	2,831	18,427	57,886	130,298	3,156	2,272	2,636	217,506
NET CARRYING AMOUNT								
At 31 December 2006	146,871	76,880	215,763	432,652	27,558	16,705	23,719	940,148

Included in the property, plant and equipment is a long term leasehold building, with a net carrying amount amounting to £150,329 (2006: £146,871), pledged to a licensed bank for credit facilities granted to the Group as disclosed in Note 23 to the financial statements.

The remaining period of the long term leasehold building is 95 years (2006: 96 years).

13. PREPAID LEASE PAYMENTS

	Group	
	2007	2006
	£	£
COST – LEASEHOLD LAND		
At 1 January	164,511	178,009
Additions	-	-
Foreign exchange difference	7,376	(13,498)
At 31 December	171,887	164,511
AMORTISATION – LEASEHOLD LAND		
At 1 January	1,544	304
Amortisation for the year	2,617	1,263
Foreign exchange difference	171	(23)
At 31 December	4,332	1,544
NET CARRYING AMOUNT		
At 31 December	167,555	162,967

(a) The land titles of the long term leasehold land of the Company are still in the process of being registered in the name of MobilityOne Sdn. Bhd..

(b) The remaining period of lease term is 95 years (2006: 96 years).

(c) The prepaid lease payments have been pledged to a licensed bank for credit facilities granted to the Group as disclosed in Note 23 to the financial statements.

14. INVESTMENT IN SUBSIDIARY COMPANIES

	Company
	2007
	£
COST	
At 31 December	2,040,930

The Company owns 100% of the ordinary share capital of MobilityOne Sdn. Bhd.. MobilityOne Sdn. Bhd. owns 100% of the ordinary share capital of Netoss Sdn. Bhd.. MobilityOne Sdn. Bhd. and Netoss Sdn. Bhd. are incorporated and registered in Malaysia. The principal trade of MobilityOne Sdn. Bhd. is that of provision of e-Channel products and services, technology managed services and solution sales and consultancy. Netoss Sdn. Bhd. is principally involved in the provision of solution sales and services.

14. INVESTMENT IN SUBSIDIARY COMPANIES (Continued)

As at 31 December 2007 the aggregate capital and reserves for MobilityOne Sdn. Bhd. were £4,232,099 and the net profit for the period then ended was £842,983.

As at 31 December 2007 the aggregate capital and reserves of Netoss Sdn. Bhd. were £6,265 and the net loss for the period then ended was £31,123.

The investment in MobilityOne Sdn. Bhd. was acquired by issuing 81,637,200 ordinary 2.5 pence shares of MobilityOne Limited to the shareholders of MobilityOne Sdn. Bhd. at 2.5 pence each.

In the opinion of the Directors, the aggregate fair value of the Company's investment in subsidiary companies undertakings is not less than the amount included in balance sheet.

The details of the subsidiary companies, all of which are incorporated in Malaysia are as follows:-

Name of Subsidiary Company	Country of incorporation	Effective Ownership Interest 2007 (%)	Effective Ownership Interest 2006 (%)	Principal Activities
MobilityOne Sdn. Bhd.	Malaysia	100	-	Provision of e-Channel products and services, technology managed services and solution sales and consultancy
Direct subsidiary company of MobilityOne Sdn. Bhd.				
Netoss Sdn. Bhd.	Malaysia	100	100	Provision of solution sales and services

15. INVENTORIES

	Group 2007 £	Group 2006 £
At Cost:		
Air time	400,866	261,018
Software	517,189	384,983
Others	63	61
	918,118	646,062

16. TRADE RECEIVABLES

The Group's and the Company's normal trade credit terms range from 30 to 60 days (2006: 30 to 60 days). Other credit terms are assessed and approved on a case to case basis.

17. OTHER RECEIVABLES

	Group	
	2007	**2006**
	£	**£**
Sundry receivables	1,502,105	12,408
Deposits	57,521	115,963
Prepayments	13,097	11,434
	1,572,723	139,805

18. AMOUNT DUE FROM SUBSIDIARY COMPANY

This represents unsecured interest free advances with no fixed term of repayment.

19. AVAILABLE FOR SALE FINANCIAL ASSET

	Group	
	2007	**2006**
	£	**£**
At cost:		
Quoted unit trusts in Malaysia	45,514	-
At market value:		
Quoted unit trusts in Malaysia	45,514	-

The recoverable amount of the available for sale financial asset is based on its fair value less cost to sell by reference to its market price at balance sheet date.

20. CASH AND CASH EQUIVALENTS

	Group		Company	
	2007	2006	2007	2006
	£	£	£	£
Cash in hand and at banks	186,033	712,695	62,742	-
Fixed deposits with licensed banks	162,443	155,472	-	-
	348,476	868,167	62,742	-

The above fixed deposits have been pledged to licensed banks as securities for credit facilities granted to the Group as disclosed in Note 23 to the financial statements.

The Group's weighted effective interest rates and maturities of deposits are 3.7% (2006: 3.7%) and 12 months (2006: 12 months) respectively.

21. TRADE PAYABLES

The Group's normal trade credit terms range from 60 to 90 days (2006: 60 to 90 days).

22. OTHER PAYABLES

	Group	
	2007	2006
	£	£
Sundry payables	192,503	247,164
Accruals	3,959	9,309
	196,462	256,473

23. FINANCIAL LIABILITIES - BORROWINGS

	Group	
	2007	2006
	£	£
Non-Current		
Secured:		
Term loans	150,137	152,608
Bankers' acceptance	-	-
	150,137	152,608

23. FINANCIAL LIABILITIES - BORROWINGS (Continued)

	Group 2007 £	Group 2006 £
Current		
Secured:		
Term loans	11,370	23,603
Bankers' acceptance	348,308	477,262
	359,678	500,865
Total Borrowings		
Secured:		
Term loans	161,507	176,211
Bankers' acceptance	348,308	477,262
	509,815	653,473

The above credit facilities from licensed bank are secured by the following:-
(a) fixed charge over the subsidiary company's long term leasehold land and building;
(b) pledge of fixed deposits of the subsidiary company;
(c) personal guarantee by a Director of the subsidiary company; and
(d) corporate guarantee by the Company.

The term loan of the Group is repayable over 90 equal monthly installment of £2,055 each and a final installment of £1,209.

The weighted average effective interest rates of the Group for the above facilities are as follows:-

	Group 2007 %	Group 2006 %
Term loans	7.84	8.76
Bankers' acceptance	6.14	1.54

The maturity of borrowings is as follows:-

	Group 2007 £	Group 2006 £
Within one year	359,678	500,865
Between one and two years	12,374	23,603
Between two and five years	44,080	70,808
After five years	93,683	58,197
	509,815	653,473

24. DEFERRED TAX LIABILITY

	Group	
	2007	2006
	£	£
At 1 January	2,829	2,078
Recognised in the income statement	30,444	916
Foreign exchange difference	1,315	(165)
At 31 December	34,588	2,829

The components and movements of deferred tax liability during the year prior to offsetting are as follows:-

Deferred tax liability of the Group:

	Property, plant and equipment £	Total £
At 1 January 2007	2,829	2,829
Recognised in the income statement	30,444	30,444
Foreign exchange difference	1,315	1,315
At 31 December 2007	34,588	34,588
At 1 January 2006	2,078	2,078
Recognised in the income statement	916	916
Foreign exchange difference	(165)	(165)
At 31 December 2006	2,829	2,829

The availability of the unused tax losses and unabsorbed capital allowances for offsetting against future taxable profits of the subsidiary company is subject to no substantial changes in shareholdings of the subsidiary company under Section 44(5A) and (5B) of Income Tax Act, 1967.

25. CALLED UP SHARE CAPITAL

	Number of ordinary shares	Amount £
Authorised in MobilityOne Limited		
At 22 March 2007 (date of incorporation) – ordinary shares of £0.05 each	200,000,000	10,000,000
At 4 June 2007 Subdivision of shares from £0.05 to £0.025 per share	200,000,000	-
At 31 December 2007 – ordinary shares of £0.025 each	400,000,000	10,000,000
Issued and fully paid in MobilityOne Limited		
At 22 March 2007 (date of incorporation) – ordinary shares of £0.05 each	2	#
At 4 June 2007 Subdivision of shares from £0.05 to £0.025 per share	2	#
At 4 July 2007 Share swap	81,637,200	2,040,930
At 5 July 2007 Issuance of shares	12,300,000	307,500
At 31 December 2007- ordinary shares of £0.025 each	93,937,204	2,348,430

Note: # Denotes amounts are less than £1.00

	Number of ordinary shares of RM0.10 each	Amount £
Authorised in MobilityOne Sdn. Bhd.		
At 1 January 2006 / 31 December 2006	250,000,000	3,908,955
Issued and fully paid in MobilityOne Sdn. Bhd.		
At 1 January 2006 / 31 December 2006	129,000,020	2,017,021

25. CALLED UP SHARE CAPITAL (Continued)

The Company was incorporated with authorised share capital of £10,000,000 divided into 200,000,000 ordinary shares of £0.05 each. On incorporation, 2 ordinary shares of £0.05 each were issued for cash at £0.05 per share.

On 4 June 2007, pursuant to a special resolution of the shareholders of the Company, the share capital of the Company was sub-divided from £10,000,000 divided into 200,000,000 ordinary shares of 5 pence each to £10,000,000 divided into 400,000,000 ordinary shares of 2.5 pence each.

Pursuant to the agreement dated 22 June 2007 between Hussian @ Rizal bin A. Rahman, Lim Peng Kwee, Dato' Shamsir bin Omar, Lim Lae Yong, Wong Ah Kau @ Wong Mun Sang, Wong Wai Choong, Cheah King Fui, Thornbeam Limited, GHL Systems Berhad, Always Wealthy Sdn. Bhd. and MobiltyOne Limited in relation to the acquisition of the entire issued share capital of MobilityOne Sdn. Bhd. by the Company, the entire issued share capital of MobilityOne Sdn. Bhd. was transferred to the Company by Hussian @ Rizal bin A. Rahman, Lim Peng Kwee, Dato' Shamsir bin Omar, Lim Lae Yong, Wong Ah Kau @ Wong Mun Sang, Wong Wai Choong, Cheah King Fui, Thornbeam Limited, GHL Systems Berhad and Always Wealthy Sdn. Bhd., in consideration of the allotment and issue by the Company to each of them of 27,452,107, 5,670,777, 9,131,677, 7,305,341, 9,234,409, 1,369,751, 913,168, 16,048,922, 3,209,784 and 1,301,264 ordinary shares of 2.5 pence each respectively.

On 22 June 2007, 12,300,000 new ordinary shares of 2.5 pence were issued at 12.5 pence each pursuant to the placing agreement dated 25 June 2007 between the Company, the Directors and HB Corporate.

As at 31 December 2007 there were 93,937,204 ordinary shares of 2.5 pence each in issue.

26. BUSINESS COMBINATIONS

On 22 June 2007, MobilityOne Limited acquired 100% of the issued share capital of MobilityOne Sdn. Bhd. and its subsidiary Netoss Sdn. Bhd. The acquisition has been accounted for as a Reverse Acquisition under IFRS 3, Business Combinations. The difference between the net assets acquired and the shares issue has been treated as a "reverse acquisition reserves" within equity.

	Book value
	£
Net assets acquired	2,749,881
Reverse acquisition reserve	(708,951)
Consideration	2,040,930

27. COMPANY EQUITY INSTRUMENT

	Share capital £	Share premium £	Retained earnings £	Total £
At 1 January 2007	2,017,021	911	-	2,017,932
Capitalised as bonus issue in subsidiary company	438,905	-	-	438,905
Conversion of redeemable preference shares in subsidiary company	293,044	-	-	293,044
Deficit for the period	-	-	(16,959)	(16,959)
Issue of shares	307,500	1,230,000	-	1,537,500
Listing expenses	-	(447,766)	-	(447,766)
Share swap	(708,040)	(911)	-	(708,951)
At 31 December 2007	2,348,430	782,234	(16,959)	3,113,705

28. REVERSE ACQUISITION RESERVE

The acquisition of MobilityOne Sdn. Bhd. by MobilityOne Limited, which was affected through share exchange, was completed on 5 July 2007 and resulted in MobilityOne Sdn. Bhd. becoming a wholly owned subsidiary of MobilityOne Limited. Pursuant to a share swap agreement dated 22 June 2007 the entire issued and paid-up share capital of MobilityOne Sdn. Bhd. was transferred to MobilityOne Limited by its owners. The consideration to the owners was the transfer of 178,800,024 existing ordinary share and the allotment and issuance by MobilityOne Limited to the owners of 81,637,200 ordinary shares of 2.5p each. The acquisition was completed on 5 July 2007. Total cost of investment by MobilityOne Limited is £2,040,930, the difference between cost of investment and MobilityOne Sdn. Bhd. share capital of £708,951 has been treated as a reverse acquisition reserve.

29. RECONCILIATION OF PROFIT/(LOSS) BEFORE TAX TO CASH GENERATED FROM OPERATIONS

	1.1.2007 to 31.12.2007 £	1.4.2006 to 31.12.2006 £
GROUP		
Cash flow from operating activities		
Profit before tax	765,257	473,951
Adjustments for:		
Depreciation	139,888	96,254
Amortisation on prepaid lease payments	2,617	1,263
Interest paid	51,260	52,454
Interest received	(625)	(343)
Operating profit before working capital changes	958,397	623,579
Increase in inventories	(243,088)	(152,553)
Increase in receivables	(775,450)	(648,812)
Decrease in amount due to Director	(144,625)	-
(Decrease)/Increase in payables	(467,485)	372,489
Cash flows from operating activities	(672,251)	194,703

	22.3.2007 to 31.12.2007 £
COMPANY	
Cash flow from operating activities	
Loss before tax	(16,959)
Adjustment for:	
Gain on foreign exchange – unrealised	(61,811)
Operating loss before working capital changes	(78,770)
Increase in amount due from subsidiary company	(948,222)
Cash flows from operating activities	(1,026,992)

30. FINANCIAL COMMITMENTS

Capital commitment

	Group	
	2007	**2006**
	£	**£**
Authorised and contracted for:		
Investment in PT. MobilityOne Indonesia	140,543	-

31. EXPLANATION OF TRANSITION TO IFRS

Introduction

MobilityOne Limited and its subsidiary companies ("Group") have previously prepared its consolidated financial statements under Malaysian Generally Accepted Accounting Practice (GAAP). With effect from 1 January 2007, it is required to prepare its consolidated financial statements in accordance within International Reporting Standards (IFRS) as adopted by the European Union.

The Group has adopted IFRS from 1 April 2006, the date of transition. The first full set of audited financial statements prepared under IFRS will be for the year ended 31 December 2007, and the first interim report prepared under IFRS is for the half year ended 30 June 2007.

The IFRS transition statement has been prepared to explain the impact on the reported result of the Group and to set out the changes to the accounting policies of the Group together with provision of reconciliations of the restatement of previously published comparative financial information.

References to IFRS throughout this document refer to the application of International Accounting Standards and International Financial Reporting Standards.

Overview of impact of adoption of IFRS

Conversion to IFRS affects the Group reporting particularly in respect of intangible assets and capitalised development expenditure. It does not affect the cashflows or the underlying prospects of the business; however, the implementation of the new standards may result in increased volatility in reported result due to changes in accounting for intangible assets and development expenditure.

It has not been possible to separately identify development expenditure, which met the criteria for capitalisation prior to the date of transition. Therefore no capitalisation was performed as at the date of transition.

Revised Group accounting policies under IFRS

The following accounting policies represent changes from the accounting policies stated in the financial statements for the period ended 31 December 2006. The remaining accounting policies remain the same as in the financial statements for the period ended 31 December 2006, which are consistent with IFRS.

31. EXPLANATION OF TRANSITION TO IFRS (Continued)

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 administrative expenses in the income statement using the straight-line basis over the commercial lives of the underlying products not exceeding five years. Impairment is assessed whenever there is an indication of impairment and the amortisation period and method are also reviewed at least at each balance sheet date.

The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended 31 December 2007. No adjustments were required to amounts reported previously in financial statements prepared in accordance with its previous basis of accounting (Malaysian GAAP) both for the opening balance sheet and the comparative information for the period ended 31 December 2006.

32. RELATED PARTY TRANSACTION

During the year, MobilityOne Sdn. Bhd. was charged by Netoss Sdn. Bhd. £96,710 (2006: £303,714) for license fees of terminal software. At the balance sheet date, MobilityOne Sdn. Bhd. owed the Company £1,010,033 (2006: Nil), Netoss Sdn. Bhd.owed MobilityOne Sdn. Bhd. £325,624 (2006: £269,259).

All transactions with related parties were conducted at arm's length.

33. ULTIMATE CONTROLLING PARTY

In the opinion of the Directors, there is no ultimate controlling party in the Company for the year ended 31 December 2007.

34. CONTINGENT LIABILITIES

Save as disclosed below, the Group has no contingent liabilities arising in respect of legal claims arising from the ordinary course of business and it is not anticipated that any material liabilities will arise from the contingent liabilities other than those provided for.

	Group 2007 £
Limit of guarantees	
Corporate guarantees given to licensed banks by a subsidiary company for credit facilities granted to a third party	7,555
Amount utilised	
Banker's guarantee in favour of a third party	-

35. POST BALANCE SHEET EVENTS

Subsequent to the end of the year under review, the Company had on 15 January 2008 repurchased a total of 14,962,253 shares for cancellation. After the share buyback, the issued share capital of the Company reduced to 78,974,951 ordinary shares of 2.5 pence each.

On 2 January 2008, the Company's subsidiary, MobilityOne Sdn. Bhd. had declared and paid a first interim dividend of 55% exempted from income tax under the single tier system in respect of the financial year ending 31 December 2008.

MobilityOne Sdn. Bhd. acquired a 100% equity interest in Versatel Sdn. Bhd. on 23 January 2008 at £0.30 (RM2.00) and the name was subsequently changed to Pay Station Sdn. Bhd. on 29 January 2008 and is dormant as at to-date.

On 12 March 2008, MobilityOne Sdn. Bhd. has incorporated a new subsidiary, PT.MobilityOne Indonesia, in Jakarta for the purpose of future business expansion with a cash consideration of £49,564 (USD100,000), representing 95% of the issued and paid up share capital of PT.MobilityOne Indonesia.

36. GOING CONCERN

The Group is still at an early stage of its development and relies on access to further funding in order to continue to develop its technology related services. The funds raised through future placing will be used to support the future operations. On this basis the Directors believe that it is appropriate to prepare the financial statements on a going concern basis.

37. FOREIGN CURRENCY TRANSLATION RESERVE

The Company's assets and liabilities stated in the balance sheet were translated into Sterling Pound (£) using the closing rate as at the balance sheet 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.

	Group	
	2007	**2006**
	£	**£**
As at 1 January 2007	(162,608)	45,254
Currency translation differences during the year due from subsidiary companies	234,175	(207,862)
As at 31 December 2007	71,567	(162,608)

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

38. RETAINED EARNINGS

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

	Group	
	1.1.2007 to 31.12.2007	**1.4.2006 to 31.12.2006**
	£	**£**
As at 1 January	1,078,346	636,428
Profit for the year/period	733,089	441,918
Capitalised as bonus issue in subsidiary company	(438,905)	-
As at 31 December	1,372,530	1,078,346

39. SHARE BASED PAYMENTS

During the year ended 31 December 2007, the Group granted share options of 7,416,558 shares at 12.5p 2,000,000 each to Hussian @ Rizal bin A. Rahman, Sean Boon Chin and Derrick Chia Kah Wai and 1,416,558 to HB Corporate. No charge has been made for the share based payments as it is not considered to be material.

The details of the share options are as follows:-

	Company 2007	
	Number	**Exercise price**
Outstanding at beginning of year	-	-
Granted on 5 July 2007	7,416,558	12.5p
Balance carried forward	7,416,558	12.5p

The fair values of the options granted have been calculated using Black-Scholes model assuming the inputs shown below:-

Grant date	5 July 2007
Share price at grant date	12.5p
Exercise price	12.5p
Option life in years	5 years
Risk free rate	4.40%
Expected volatility	40%
Expected dividend yield	0%
Fair value of options	2p

No options have been exercised.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Annual General Meeting of **MOBILITYONE LIMITED ("Company")** will be held at 9.00 a.m. Malaysia time on 21 July 2008 at Malaysian Petroleum Club, Level 42, Tower 2, Petronas Twin Towers, Kuala Lumpur City Centre, 50088 Kuala Lumpur, Malaysia, and for the purpose of considering and, if thought fit, adopting the following resolutions, at the meeting, or of any adjournment thereof:

ORDINARY RESOLUTIONS

1. **THAT** the Company's accounts and reports of the Directors and Auditors for the year ended 31 December 2007 be adopted.

2. **THAT** Dato' Dr. Wan Azmi bin Ariffin is re-elected as a Director.

3. **THAT** Dato' Shamsir bin Omar is re-elected as a Director.

4. **THAT** Hussian @ Rizal bin A. Rahman is re-elected as a Director.

5. **THAT** Derrick Chia Kah Wai is re-elected as a Director.

6. **THAT** Seah Boon Chin is re-elected as a Director.

7. **THAT** Kjetil Langland Bohn is re-elected as a Director.

8. **THAT** Jeffreys Henry LLP of Finsgate, 5-7 Cranwood Street, EC1V 9EE London, United Kingdom be reappointed as Auditors of the Company (in accordance with Article 33 of the Articles of Association of the Company) to hold office until the conclusion of the next general meeting.

9. **THAT** the Directors be authorised to fix the remuneration of the Auditors.

BY ORDER OF THE BOARD

Dato' Dr. Wan Azmi bin Ariffin
Chairman

Dated: 26 June 2008

Notes:

1 A member of the Company entitled to attend and vote at the above mentioned meeting is entitled to appoint a proxy to attend and, on a poll, to vote in his/her place. A proxy may demand, or join in demanding, a poll. A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion.

2 The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited with the Company's registrars, Computershare Investor Services (Channel Islands) Limited, PO Box 83, Ordinance House, 31 Pier Road, St Helier, Jersey JE4 8PW, Channel Islands, or at such other place as is specified for that purpose in the notice of the meeting or in the instrument of proxy issued by the Company at least 24 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll, at least 24 hours before the time appointed for taking the poll and, in default, the instrument of proxy shall not be treated as valid.

3 Completion of the instrument appointing a proxy does not preclude a member from subsequently attending and voting at the meeting in person if he/she so wishes.

4 In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and seniority shall be determined by the order in which the names of the Holders stand in the register of members of the Company.

5 As permitted by Regulation 40(1) of the Companies (Uncertificated Securities) (Jersey) Order 1999, only persons entered on the register of members of the Company not later than 48 hours before the time appointed for the meeting are entitled to attend and/or vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register of members after that time will be disregarded in determining the rights of any person to attend and/or vote at the meeting.

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FORM OF PROXY

I/We: (full name) ……………………………………… of (address) …………………………………………………….. being a member of MobilityOne Limited, do hereby appoint: (full name) ………………………………………………………………………….…...... or failing him: (full name) ………………………………………………………………………...... or failing him the Chairman of the Meeting as my / our proxy to attend the Annual General Meeting of MobilityOne Limited to be held at Malaysian Petroleum Club, Level 42, Tower 2, Petronas Twin Towers, Kuala Lumpur City Centre, 50088 Kuala Lumpur, Malaysia on 21 July 2008 at 9.00 a.m. Malaysia time or any adjournment thereof.

I/We request such proxy to vote as indicted below:

ORDINARY RESOLUTIONS	FOR	AGAINST	WITHHOLD
1. THAT the Company's accounts and reports of the Directors and Auditors for the year ended 31 December 2007 be adopted.			
2. THAT Dato' Dr. Wan Azmi bin Ariffin is re-elected as a Director			
3. THAT Dato' Shamsir bin Omar is re-elected as a Director			
4. THAT Hussian @ Rizal bin A. Rahman is re-elected as a Director.			
5. THAT Derrick Chia Kah Wai is re-elected as a Director.			
6. THAT Seah Boon Chin is re-elected as a Director.			
7. THAT Kjetil Langland Bohn is re-elected as a Director.			
8. THAT Jeffreys Henry LLP of Finsgate, 5-7 Cranwood Street, EC1V 9EE London, United Kingdom be reappointed as Auditors of the Company (in accordance with Article 33 of the Articles of Association of the Company) to hold office until the conclusion of the next general meeting.			
9. THAT the Directors be authorised to fix the remuneration of the Auditors.			

Please indicate by marking "X" in the respective box. If no indication is given, your proxy will have discretion to vote or to abstain (including on any other matter which may properly come before the meeting as he/she thinks fit).

If by an individual:

Signed: ....

Dated: 2008

If for and on behalf of a corporation:

Signed by: ....

for and on behalf of: ....

Position: ....

Dated: 2008

Notes:

1. A member of the Company entitled to attend and vote at the above mentioned meeting is entitled to appoint a proxy to attend and, on a poll, to vote in his/her place. A proxy may demand, or join in demanding, a poll. A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion.
2. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited with the Company's registrars, Computershare Investor Services (Channel Islands) Limited, PO Box 83, Ordinance House, 31 Pier Road, St Helier, Jersey JE4 8PW, Channel Islands, or at such other place as is specified for that purpose in the notice of the meeting or in the instrument of proxy issued by the Company at least 24 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll, at least 24 hours before the time appointed for taking the poll and, in default, the instrument of proxy shall not be treated as valid.
3. Completion of the instrument appointing a proxy does not preclude a member from subsequently attending and voting at the meeting in person if he/she so wishes.
4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and seniority shall be determined by the order in which the names of the Holders stand in the register of members of the Company.
5. As permitted by Regulation 40(1) of the Companies (Uncertificated Securities) (Jersey) Order 1999, only persons entered on the register of members of the Company not later than 48 hours before the time appointed for the meeting are entitled to attend and/or vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register of members after that time will be disregarded in determining the rights of any person to attend and/or vote at the meeting.

FOLD THIS FLAP FOR SEALING

THEN FOLD HERE

AFFIX
STAMP

COMPANY'S REGISTRARS
MOBILTYONE LIMITED
PO BOX 83, ORDINANCE HOUSE
31 PIER ROAD, ST HELIER
JERSEY JE4 8PW
CHANNEL ISLANDS

FIRST FOLD HERE

REGISTERED OFFICE

Walker House
PO Box 72
28-34 Hill Street
Jersey JE4 8PN
Channel Islands

BUSINESS ADDRESS

No.2, 9th Floor, Wisma Menjalara
Jalan 7A/62A, Bandar Menjalara
52200 Kuala Lumpur
Malaysia
Tel: +(603) 6286 1999