MOBILITYONE
TECHNOLOGY INNOVATION IN ONE

MobilityOne Limited

Annual Report 2009

"Nurturing the Growth"

Listed on AIM of the London Stock Exchange

CONTENTS

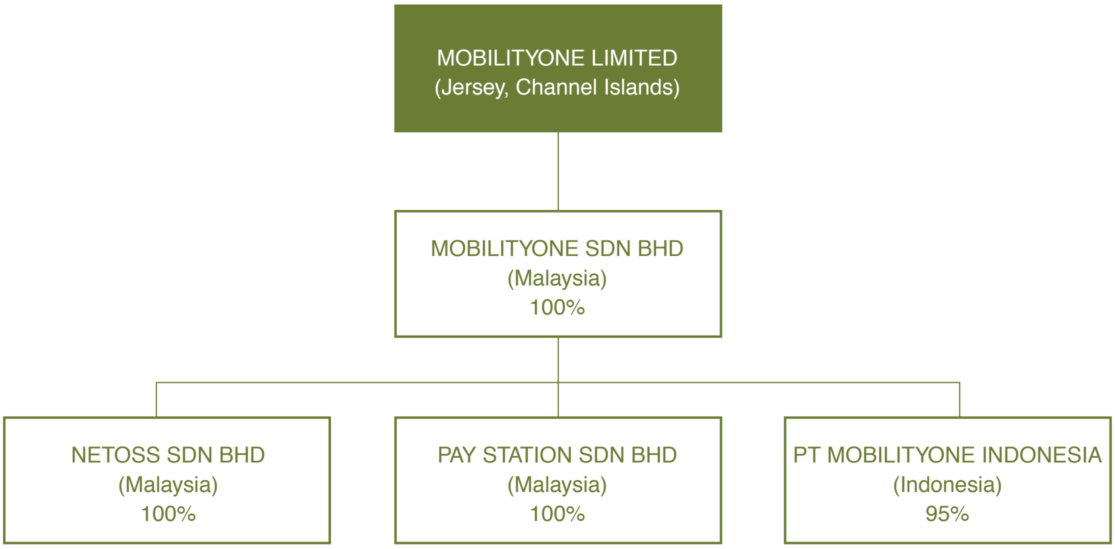
COMPANY INFORMATION

DIRECTORS	Dato' Dr. Wan Azmi bin Ariffin (Non-Executive Chairman) Dato' Hussian @ Rizal bin A. Rahman (Chief Executive Officer) Derrick Chia Kah Wai (Technical Director) Seah Boon Chin (Corporate Finance Director) Dato' Shamsir bin Omar (Non-Executive Director) Kjetil Langland Bohn (Non-Executive Director)
SECRETARY	TMF Channel Islands 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	2-3, Incubator 2 Technology Park Malaysia Bukit Jalil, 57000 Kuala Lumpur Malaysia Tel: +603 8996 3600
AUDITORS	Jeffreys Henry LLP Finsgate 5-7 Cranwood Street London EC1V 9EE United Kingdom
NOMINATED ADVISER AND BROKER	Allenby Capital Limited Claridge House 32 Davoes Street Mayfair London W1K 4ND United Kingdom

CHAIRMAN'S STATEMENT

INTRODUCTION

MobilityOne Limited's organisation structure is depicted below:



OPERATIONS REVIEW

The year 2009 was a challenging year for the Group with the global financial crisis and weak market conditions continuing to have an impact on the Group's operations. These combined events have directly affected the Group's overall financial performance. Even though the Group saw an increase in revenue for its mobile phone's prepaid airtime reloads, several higher profit margin projects and expansion plans have been deferred. Despite a difficult global economic backdrop, the Group has continued to focus on developing its existing businesses and to introduce new revenue streams for its future growth.

During the year, the Group continued to develop additional payment channels for its wide range of electronic based products and services to be made available to its customers via active new channel acquisitions. For the Group's international remittance services, MobilityOne Sdn Bhd ("MobilityOne Malaysia") has entered into an agreement with M. Lhuillier, a financial services company in the Philippines, to provide money transfer service from the Group's outlets in Malaysia to any of M. Lhuillier's branches in the Philippines. This is in addition to the existing agreement signed with G-Xchange, Inc., a wholly owned subsidiary of Globe Telecom of the Philippines, as well as the agreements with PT Finnet Indonesia and PT Telekomunikasi Selular in Indonesia for the money transfer service to Indonesia.

During the challenging period, the Group took several measures to reduce costs and focused on the reorganisation of its business operations in Malaysia in order to cushion the impact of the slowdown.

We present the audited consolidated financial statements for MobilityOne Limited for the year ended 31 December 2009.

CHAIRMAN'S STATEMENT (CONTINUED)

RESULTS

For the financial year ended 31 December 2009, the Group registered a revenue of £13.7 million, representing an increase of 10.2% as compared to £12.5 million for the 12 months ended 31 December 2008 and a loss after tax of £0.92 million (12 months ended 31 December 2008: loss after tax of £0.88 million). The increase in revenue was mainly contributed by higher demand for our existing mobile phone's prepaid airtime reload business. Despite the increase in revenue, the Group continued to record a loss, which was due to higher operating costs and expenses to explore new business opportunities, depreciation and amortisation of intangible assets and development costs of £0.32 million, as well as a write off of bad debts and development costs of £0.12 million.

CURRENT TRADING AND OUTLOOK

As a result of the continuing global economic uncertainties and prevailing market conditions, we envisage the financial performance of the Group for the year ending 31 December 2010 to remain challenging. However, barring any unforeseen circumstances, the Group is anticipating an upturn in the 4th quarter of 2010 in the markets in which it operates in particularly in consideration of the following recent developments:

(i) MobilityOne Malaysia has signed an agreement with Carrefour Malaysia (www.carrefour.com.my) to roll out approximately 300 EDC terminals for mobile phone's prepaid airtime reloads ("prepaid reloads") across Carrefour Malaysia's 23 hypermarkets and 20 express stores throughout Malaysia;

(ii) MobilityOne Malaysia has been awarded a contract from Telekom Malaysia Berhad (www.tm.com.my) with the value of RM22.7 million (equivalent to c. £4.8 million) to supply telecommunication hardware over a period of 3 years;

(iii) In Cambodia, MobilityOne Malaysia has entered into agreements with 4 telecommunications companies, namely Hello Axiata Company Limited (Hello Mobile – www.hello.com.kh), Latelz Co. Ltd (Smart Mobile – www.smart.com.kh), Combodia Advance Communications Co. Ltd (QB Mobile – www.qbmore.com) and Viettel (Cambodia) Pte Ltd (Metfone Mobile – www.metfone.com.kh) to sell their prepaid reloads via EDC terminals and banking channels. In addition, MobilityOne Malaysia is in discussion with several banks in Cambodia to provide prepaid reloads via ATMs, Internet banking and mobile banking; and

(iv) In Indonesia, MobilityOne Malaysia has entered into an agreement with PT Citra Multi Services (www.cms701.com) to provide up to 100,000 units of EDC terminals throughout Indonesia over a period of 7 years. MobilityOne Malaysia is currently working with PT Citra Multi Services on the technical aspects of the system and is evaluating the funding options and requirements for the EDC terminals.

CHAIRMAN'S STATEMENT (CONTINUED)

Whilst entry into new markets has not resulted in immediate revenue growth, the Directors believe that it will provide good opportunities for the Group in the long term. In addition, the Group will continue to strengthen its existing core business and continuously develop innovative solutions and tap into new business opportunities in order to expand the earnings base for long term growth.

CONCLUSION

On behalf of the Board of Directors, I would like to take this opportunity to thank the management and staff for their efforts and commitment over the year.

....

Dato' Dr. Wan Azmi bin Ariffin
Chairman

Date: 22 June 2010

REPORT OF THE DIRECTORS

For the year ended 31 December 2009

The Directors present their report with the financial statements of the Company and the Group for the year ended 31 December 2009.

PRINCIPAL ACTIVITY

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

KEY PERFORMANCE INDICATORS

	Year ended 31.12.2009 £
Revenue	13,733,773
Operating loss	(846,286)
Loss before tax	(917,343)
Net loss	(917,343)

KEYS RISKS AND UNCERTANTIES

Operational risks

The Group is not insulated from general business risk as well as certain risks inherent in the 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.

REPORT OF THE DIRECTORS (CONTINUED)

For the year ended 31 December 2009

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 Chairman's statement.

RESULTS AND DIVIDENDS

The consolidated loss for the year ended 31 December 2009 is £917,343 (31.12.2008: loss £879,152) which has been transferred to reserves. No dividends will be distributed for the year ended 31 December 2009.

DIRECTORS

The Directors during the year under review were:

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

Dato' Dr. Wan Azmi bin Ariffin and Dato' Hussian @ Rizal bin A. Rahman 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 2009 in the ordinary shares of the Company, were as follows:

Ordinary 2.5p shares

	Interest at 31.12.09	% of issued capital
Dato' Dr. Wan Azmi bin Ariffin	Nil	Nil
Dato' Hussian @ Rizal bin A. Rahman	27,452,111	29.3
Derrick Chia Kah Wai	Nil	Nil
Seah Boon Chin	Nil	Nil
Dato' Shamsir bin Omar	9,131,677	9.8
Kjetil Langland Bohn	Nil	Nil

REPORT OF THE DIRECTORS (CONTINUED)

For the year ended 31 December 2009

The Directors also held the following ordinary shares under option:

	Interest at 31.12.09
Dato' Dr. Wan Azmi bin Ariffin	Nil
Dato' 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 3 June 2010, 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
Dato' Hussian @ Rizal bin A. Rahman	27,452,111	29.3
Thornbeam Limited	16,048,922	17.2
Datuk Yahaya bin Mat Ghani	10,500,000	11.2
Dato' Shamsir bin Omar	9,131,677	9.8
Perbadanan Nasional Berhad	5,290,000	5.7
GHL Systems Berhad	3,209,784	3.4

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 not have the insurance cover against legal action bought against its Directors and officers.

REPORT OF THE DIRECTORS (CONTINUED)

For the year ended 31 December 2009

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

These financial statements have been prepared on the assumption that the Group is a going concern. Further information is given in Note 2 of 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 and Article 4 of the IAS regulation. 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.

REPORT OF THE DIRECTORS (CONTINUED)

For the year ended 31 December 2009

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.

AUDITORS

Jeffreys Henry LLP have expressed their willingness to continue in office. A resolution proposing that Jeffreys Henry LLP be re-appointed will be put to the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

....

Dato' Hussian @ Rizal bin A. Rahman
Chief Executive Officer

Date: 22 June 2010

CORPORATE GOVERNANCE REPORT

For the year ended 31 December 2009

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 of 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.

CORPORATE GOVERNANCE REPORT (CONTINUED)

For the year ended 31 December 2009

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.

BOARD OF DIRECTORS

Dato' Dr. Wan Azmi bin Ariffin

(Non-Executive Chairman)

Dato' Dr. Wan Azmi bin Ariffin, a Malaysian aged 66, 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.

Dato' Hussian @ Rizal bin A. Rahman

(Chief Executive Officer)

Dato' Hussian @ Rizal bin A. Rahman, a Malaysian aged 48, 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

(Technical Director)

Derrick Chia Kah Wai, a Malaysian aged 39, is the Technical Director 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 38, 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 75 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 40 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 when he founded Vyke AS. In 2009, he left Vyke Communications plc and founded Agrinos AS, a bio-technology company.

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 ended 31 December 2009 which comprise the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Cash Flows, Company Statement of Cash Flows 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 9.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF MOBILITYONE LIMITED (CONTINUED)

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 2009 and of the loss 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 2009;

- 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
Chartered accountants and registered auditors

Finsgate
5-7 Cranwood Street
London
EC1V 9EE
United Kingdom

Date: 23 June 2010

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2009

	Note	2009 £	2008 £
CONTINUING OPERATION			
Revenue		13,733,773	12,460,925
Cost of sales		(12,719,917)	(11,608,785)
GROSS PROFIT		1,013,856	852,140
Other operating income		71,713	136,014
Administration expenses		(1,496,741)	(1,343,110)
Other operating expenses		(435,114)	(512,744)
OPERATING LOSS		(846,286)	(867,700)
Finance costs	6	(71,057)	(48,347)
LOSS BEFORE TAX	7	(917,343)	(916,047)
Tax	8	-	36,895
LOSS AFTER TAX		(917,343)	(879,152)
Attributable to:			
Equity holders of the Company		(916,220)	(876,818)
Minority interest		(1,123)	(2,334)
		(917,343)	(879,152)
EARNING PER SHARE			
Basic earnings per share (pence)	10	(1.15)	(1.10)
Diluted earnings per share (pence)	10	(1.15)	(1.10)

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2009

	2009 £	2008 £
LOSS AFTER TAX	(917,343)	(879,152)
OTHER COMPREHENSIVE INCOME		
Foreign currency translation differences for foreign operations	(557,375)	830,706
TOTAL COMPREHENSIVE INCOME	(1,474,718)	(48,446)
Attributable to:		
Equity holders of the Company	(1,473,595)	(46,112)
Minority interest	(1,123)	(2,334)
	(1,474,718)	(48,446)

The notes form part of these financial statements

MOBILITYONE
TECHNOLOGY INNOVATION IN ONE

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2009

	Non-Distributable				Distributable			
	Share capital £	Share premium £	Reverse acquisition reserve £	Foreign currency translation reserve £	Retained earnings £	Total £	Minority Interest £	Total £
As at 1 January 2008	2,348,430	782,234	708,951	71,567	1,372,532	5,283,714	-	5,283,714
Comprehensive income/ (loss)								
Loss for the year	-	-	-	147,084	(876,818)	(729,734)	(2,334)	(732,068)
Foreign currency translation	-	-	-	830,706	-	830,706	-	830,706
Total comprehensive income for the year	-	-	-	977,790	(876,818)	100,972	(2,334)	98,638
Transactions with owners								
Acquisition of subsidiary company	-	-	-	-	-	-	3,184	3,184
Share buyback in MobilityOne Limited	(374,056)	-	-	-	(1,018,930)	(1,392,986)	-	(1,392,986)
Total transactions with owners for the year	(374,056)	-	-	-	(1,018,930)	(1,392,986)	3,184	(1,389,802)
As at 31 December 2008	1,974,374	782,234	708,951	1,049,357	(523,216)	3,991,700	850	3,992,550

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the year ended 31 December 2009

		Non-Distributable			Distributable			
	Share capital £	Share premium £	Reverse acquisition reserve £	Foreign currency translation reserve £	Retained earnings £	Total £	Minority Interest £	Total £
As at 1 January 2009	1,974,374	782,234	708,951	1,049,357	(523,216)	3,991,700	850	3,992,550
Comprehensive income/ (loss)								
Loss for the year	-	-	-	60,159	(916,220)	(856,061)	(1,123)	(857,184)
Foreign currency translation	-	-	-	(557,375)	-	(557,375)	(654)	(558,029)
Total comprehensive income for the year	-	-	-	(497,216)	(916,220)	(1,413,436)	(1,777)	(1,415,213)
Transactions with owners								
Issue of shares in MobilityOne Limited	365,000	-	-	-	-	365,000	-	365,000
Total transactions with owners for the year	365,000	-	-	-	-	365,000	-	365,000
As at 31 December 2009	2,339,374	782,234	708,951	552,141	(1,439,436)	2,943,264	(927)	2,942,337

Share capital is the amount subscribed for shares at nominal value.

Share premium represents the excess of the amount subscribed for share capital over the nominal value of the respective shares net of share issue expenses.

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

The Company's assets and liabilities stated in the Statement of Financial Position were translated into Pound Sterling (£) using the closing rate as at the Statement of Financial Position date and the income statements were translated into £ using the average rate for that period. All resulting exchange differences are taken to the foreign currency translation reserve within equity.

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

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2009

	Note	2009 £	2008 £
ASSETS			
Non-current assets			
Intangible assets	11	1,829,400	2,272,547
Property, plant and equipment	12	988,465	1,105,264
		2,817,865	3,377,811
Current assets			
Inventories	14	728,094	878,777
Trade receivables	15	333,737	415,289
Other receivables	16	81,976	48,233
Tax recoverable		7,434	8,179
Cash and cash equivalents	18	400,304	410,085
		1,551,545	1,760,563
Non-current assets held for sale	19	375,442	413,084
		1,926,987	2,173,647
LIABILITIES			
Current liabilities			
Trade payables	20	135,470	325,394
Other payables	21	314,092	222,259
Amount due to Directors	22	29,047	106,129
Borrowings – secured	23	1,182,498	688,273
		1,661,107	1,342,055
Liability relating to non-current assets held for sale	19	71,090	36,808
		1,732,197	1,378,863
NET CURRENT ASSETS		194,790	794,784
Total assets less current liabilities		3,012,655	4,172,595
Non-current liability			
Borrowings – secured	23	70,318	180,045
NET ASSETS		2,942,337	3,992,550

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2009

	Note	2009 £	2008 £
SHAREHOLDERS' EQUITY			
Equity attributable to equity holders of the Company:			
Called up share capital	25	2,339,374	1,974,374
Share premium	26	782,234	782,234
Reverse acquisition reserve	27	708,951	708,951
Foreign currency translation reserve	33	552,141	1,049,357
Retained earnings	34	(1,439,436)	(523,216)
Shareholders' equity		2,943,264	3,991,700
Minority interest		(927)	850
TOTAL EQUITY		2,942,337	3,992,550

The notes form part of these financial statements

COMPANY STATEMENT OF FINANCIAL POSITION

As at 31 December 2009

	Note	2009 £	2008 £
ASSETS			
Non-current asset			
Investment in subsidiary companies	13	2,040,930	2,040,930
Current assets			
Amount due from subsidiary company	17	1,155,128	1,318,591
Cash and cash equivalents	18	2,043	3,417
		1,157,171	1,322,008
Current liabilities			
Other payables	21	14,549	46,775
Amount due to Directors	22	29,047	86,125
		43,596	132,900
NET CURRENT ASSETS		1,113,575	1,189,108
NET ASSETS		3,154,505	3,230,038
SHAREHOLDERS' EQUITY			
Equity attributable to equity holders of the Company:			
Called up share capital	25	2,339,374	1,974,374
Share premium	26	782,234	782,234
Retained earnings	26	32,897	473,430
TOTAL EQUITY		3,154,505	3,230,038

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2009

	Note	2009 £	2008 £
Cash flow from operating activities			
Cash (depleted in)/generated from operations	28	(489,661)	2,060,020
Interest paid		(71,057)	(48,347)
Interest received		1,902	14,963
Net cash (used in)/generated from operating activities		(558,816)	2,026,636
Cash flows from investing activities			
Purchase of property, plant and equipment		(57,804)	(152,253)
Proceeds from disposal of property, plant and equipment		-	9,053
Proceeds from disposal of available for sale financial asset		-	60,252
Addition to development costs		-	(178,289)
Net cash used in investing activities		(57,804)	(261,237)
Cash flows from financing activities			
Drawdown of short term borrowings		472,719	126,028
Drawdown of term loan		-	136,030
Repayment of term loan		(89,122)	(68,649)
Repayment of finance lease payables		(4,662)	-
Share buyback		-	(1,392,986)
Proceeds from issuance of ordinary shares		365,000	-
Net cash generated from/(used in) financing activities		743,935	(1,199,577)
Increase in cash and cash equivalents		127,315	565,822
Effect of foreign exchange rate changes		(137,096)	(504,213)
Cash and cash equivalents at beginning of year		410,085	348,476
Cash and cash equivalents at end of year	18	400,304	410,085

The notes form part of these financial statements

COMPANY STATEMENT OF CASH FLOWS

For the year ended 31 December 2009

	Note	2009 £	2008 £
Cash flow from operating activities			
Cash depleted in operations	28	(366,280)	(158,115)
Cash flows from investing activity			
Dividends received		-	1,486,023
Cash flows from financing activities			
Share buyback		-	(1,392,986)
Proceeds from issuance of ordinary shares		365,000	-
Decrease in cash and cash equivalents		(1,280)	(65,078)
Effect of foreign exchange rate changes		(94)	5,753
Cash and cash equivalents at beginning of year		3,417	62,742
Cash and cash equivalents at end of year	18	2,043	3,417

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2009

1. GENERAL INFORMATION

The principal activity of the Company is investment holding. The principal activities of the subsidiary companies are set out in Note 13 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 and is listed on AIM. The registered office is located at 28-34 Hill Street, St Helier, Jersey JE4 8PN, Channel Islands. The consolidated financial statements for the year ended 31 December 2009 comprise the results of the Company and its subsidiary companies undertakings. The Company's shares are traded on AIM of the London Stock Exchange.

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

Going Concern

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Business Review on page 3. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in the financial statements and associated notes. In addition, Note 3 to the financial statements includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk.

In order to assess the going concern of the Group, the Directors have prepared cashflow forecasts for companies within the Group. These cashflow forecasts show the Group will have increased sales based primarily on signed contracts and having sufficient headroom over available banking facilities. The Group has obtained banking facilities sufficient to facilitate the growth forecast in future periods. No matters have been drawn to the Directors' attention to suggest that future renewals may not be forthcoming on acceptable terms.

After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

2. ACCOUNTING POLICIES (Continued)

Estimation uncertainty and critical judgements

The 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) Acquisition of subsidiary companies

Intangible assets acquired have been accounted for in accordance with IFRS 3 'Business Combinations' and IAS 38 'Intangible Assets'. The key assumptions are the identifiable intangible assets acquired, forecast future cash flows and the discount rate. The carrying amounts of the Group's intangible assets as at 31 December 2009 are disclosed in Note 11 to the financial statements.

(ii) 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 property, plant and equipment to be within 5 to 10 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 2009 are disclosed in Note 12 to the financial statements.

(iii) Amortisation of intangible assets

Software is amortised over its estimated useful life. Management estimated the useful life of this asset to be within 5 years. Changes in the expected level of usage and technological development could impact the economic useful life therefore future amortisation could be revised.

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash generating units ("CGU") to which goodwill is allocated. Estimating a value-in-use amount requires management to make an estimation of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

The research and development costs are amortised on a straight-line basis over the life span of the developed assets. Management estimated the useful life of these assets to be within 5 years. Changes in the technological developments could impact the economic useful life and the residual values of these assets, therefore future amortisation charges could be revised.

The carrying amounts of the Group's intangible assets as at 31 December 2009 are disclosed in Note 11 to the financial statements.

(iv) Impairment of goodwill on consolidation

The Group's cash flow projections include estimates of sales. However, if the projected sales do not materialise there is a risk that the value of goodwill would be impaired.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

2. ACCOUNTING POLICIES (Continued)

Estimation uncertainty and critical judgements (continued)

The Directors have carried out a detailed impairment review in respect of goodwill. The Group assesses at each reporting date whether there is an indication that an asset may be impaired, by considering the net present value of discounted cash flows forecasts which have been discounted at 8.5%. The cash flow projections are based on the assumption that the Group can realise projected sales. A prudent approach has been applied with no residual value being factored. At the period end, based on these assumptions there was no indication of impairment of the value of goodwill or of development costs.

However, if the projected sales do not materialise there is a risk that the value of the intangible assets shown above would be impaired.

The carrying amount of the Group's goodwill on consolidation as at 31 December 2009 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 these 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.

(vi) Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

The Directors are of the opinion that no provision is required in respect of the contingent liabilities as disclosed in Note 32 to the financial statements as it is not probable that future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

2. ACCOUNTING POLICIES (Continued)

IFRS AND IAS UPDATE FOR 31 DECEMBER 2009 ACCOUNTS

(a) Standards and interpretations effective in 2009

- IAS 1 (revised), 'Presentation of financial statements'. The revised standard prohibits the presentation of items of income and expenses (that is 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity. All 'non-owner changes in equity' are required to be shown in a performance statement.

  Entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income).

  The Group has elected to present two statements: an income statement and a statement of comprehensive income. The interim financial statements have been prepared under the revised disclosure requirements.

- IFRS 7 'Financial instruments – Disclosures' (amendment) – effective 1 January 2009. The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy.

(b) Standards and amendments early adopted by the Group

The Group has not early adopted any standards or amendments.

(c) Interpretations effective in 2009 but not relevant

- IFRS 8, 'Operating segments'. IFRS 8 replaces IAS 14, 'Segment reporting'. It requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes.

  Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker has been identified as the steering committee that makes strategic decisions.

  Goodwill is allocated by management to groups of cash-generating units on a segment level.

  The change in reportable segments has not resulted in any additional goodwill impairment. There has been no further impact on the measurement of the group's assets and liabilities. Comparatives for 2008 have not been restated.

- IFRS 2 (amendment), 'Share-based payment' (effective from 1 January 2009). The amendment to the standard is still subject to endorsement by the EU. It deals with vesting conditions and cancellations. It clarifies that vesting conditions are service conditions and performance conditions only. Other features of a share-based payment are not vesting conditions. These features would need to be included in the grant date fair value for transactions with employees and others providing similar services; they would not impact the number of awards expected to vest or valuation there of subsequent to grant date. All cancellations, whether by the entity or by other parties, should receive the same accounting treatment. The Group and Company will apply IFRS 2 (amendment) from 1 January 2009, subject to endorsement by the EU. It is not expected to have a material impact on the Group or Company's financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

2. ACCOUNTING POLICIES (Continued)

IFRS AND IAS UPDATE FOR 31 DECEMBER 2009 ACCOUNTS (Continued)

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

The following new standards, amendments to standards and interpretations have been issued, but are not effective for the financial year beginning 1 January 2009 and have not been early adopted:

- IFRS 3 (revised), 'Business combinations' and consequential amendments to IAS 27, 'Consolidated and separate financial statements', IAS 28, 'Investments in associates' and IAS 31, 'Interests in joint ventures', effective prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. Management is assessing the impact of the new requirements regarding acquisition accounting, consolidation and associates on the group. The Group does not have any joint ventures.

  The revised standard continues to apply the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the statement of comprehensive income. There is a choice on an acquisition-by-acquisition basis to measure the minority interest in the acquiree either at fair value or at the minority interest's proportionate share of the acquiree's net assets. All acquisition-related costs should be expensed. The Group will apply IFRS 3 (revised) to all business combinations from 1 January 2010.

- IAS 27 (revised), 'Consolidated and separate financial statements', (effective from 1 July 2009). The revised standard requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is remeasured to fair value, and a gain or loss is recognised in profit or loss. The Group will apply IAS 27 (revised) prospectively to transactions with non-controlling interests from 1 January 2010.

- IAS 38 (amendment), 'Intangible Assets'. The amendment is part of the IASB's annual improvements project published in April 2009 and the Group and Company will apply IAS 38 (amendment) from the date IFRS 3 (revised) is adopted. The amendment clarifies guidance in measuring the fair value of an intangible asset acquired in a business combination and it permits the grouping of intangible assets as a single asset if each asset has similar useful economic lives. The amendment will not result in a material impact on the Group or Company's financial statements.

- IFRIC 17, 'Distributions of non-cash assets to owners', effective for annual periods beginning on or after 1 July 2009. This is not currently applicable to the Group, as it has not made any non-cash distributions.

- IFRIC 18, 'Transfers of assets from customers', effective for transfers of assets received on or after 1 July 2009. This is not relevant to the Group, as it has not received any assets from customers.

2. ACCOUNTING POLICIES (Continued)

IFRS AND IAS UPDATE FOR 31 DECEMBER 2009 ACCOUNTS (Continued)

(e) Interpretations and amendments to existing standards that are not yet effective and not relevant for the Group's operations

The following new standards, amendments to standards and interpretations are mandatory for the first time for the financial year beginning 1 January 2009, but are not currently relevant for the Group

- IAS 23 (amendment), 'Borrowing costs'.
- IAS 32 (amendment), 'Financial instruments: Presentation'.
- IFRIC 13, 'Customer loyalty programmes'.
- IFRIC 15, 'Agreements for the construction of real estate'.
- IFRIC 16, 'Hedges of a net investment in a foreign operation'.
- IAS 39 (amendment), 'Financial instruments: Recognition and measurement'.

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 Acquisition 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

2. ACCOUNTING POLICIES (Continued)

Basis of consolidation (continued)

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.

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, intra-group 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 income statement 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.

2. ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

(ii) Interest income

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

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 Statement of Financial Position 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. The other subsidiary companies also make contribution to their respective countries' statutory pension schemes.

Finance leases

Assets financed by leasing arrangements, which give rights approximating to ownership, are treated as if they had been purchased outright and are capitalised and depreciated over the shorter of the estimated useful life of the assets and the period of the leases. The capital element of future rentals is treated as a liability and the interest element is charged against profits in proportion to the balances outstanding. The rental costs of all other leased assets are charged against profits on a straight-line basis over the lease term.

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

2. ACCOUNTING POLICIES (Continued)

Functional currency translation (continued)

Assets and liabilities are translated into Pound Sterling (£) at foreign exchange rates ruling at the Statement of Financial Position date. Results and cash flows are translated into Pound Sterling (£) using average rates of exchange for the period.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-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 Statement of Financial Position date	Average for year
Year ended 31 December 2009	5.50	5.53
Year ended 31 December 2008	5.00	6.16

Taxation

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

2. ACCOUNTING POLICIES (Continued)

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 other operating 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 Statement of Financial Position 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.

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

2. ACCOUNTING POLICIES (Continued)

Impairment of assets (continued)

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.

(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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

2. ACCOUNTING POLICIES (Continued)

Property, plant and equipment (continued)

(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:

Motor vehicles	5 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.

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

2. ACCOUNTING POLICIES (Continued)

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 Statement of Cash Flows, cash and cash equivalents are presented net of bank overdrafts.

Non-current assets held for sale

Non-current assets are classified as held for sale and stated at the lower of carrying amount and fair value less cost to sell if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded a met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

2. ACCOUNTING POLICIES (Continued)

Financial instruments

Financial instruments carried on the Statement of Financial Position include cash and bank balances, deposits, investments, receivables, payables and borrowings. Financial instruments are recognised in the Statement of Financial Position 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 Statement of Financial Position 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 interest rate risk, credit risk, foreign currency exchange risk, liquidity and cash flow risk and capital 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.

(b) Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest-bearing financial assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group's interest rate risk arises primarily from interest-bearing borrowings. Borrowings at floating rates expose the Group to cash flow interest rate risk. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

3. FINANCIAL INSTRUMENTS (Continued)

The following tables set out the carrying amounts, the weighted average effective interest rates (WAEIR) as at the Statement of Financial Position date and the remaining maturities of the Group's financial instruments that are exposed to interest rate risk:

At 31 December 2009	Note	WAEIR %	Within 1 year £	1-2 years £	2-3 years £	3-4 years £	4-5 years £	More than 5 years £	Total £
Fixed rate:									
Fixed deposit	18	2.10	343,414	-	-	-	-	-	343,414
Term loans	23	8.58	(27,489)	-	-	-	-	-	(27,489)
Finance leases	23	2.88	(9,710)	(10,415)	(11,120)	(11,825)	(12,531)	(24,427)	(80,028)
Floating rate:									
Bankers' acceptance	23	6.88	(1,006,345)	-	-	-	-	-	(1,006,345)
Term loans	23	7.30	(138,954)	-	-	-	-	-	(138,954)
At 31 December 2008									
Fixed rate:									
Fixed deposit	18	3.10	216,098	-	-	-	-	-	216,098
Term loans	23	5.97	(68,496)	(30,245)	-	-	-	-	(98,741)
Floating rate:									
Bankers' acceptance	23	6.71	(587,130)	-	-	-	-	-	(587,130)
Term loans	23	9.34	(32,647)	(32,647)	(32,647)	(32,647)	(32,647)	(19,212)	(182,447)

3. FINANCIAL INSTRUMENTS (Continued)

(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 Statement of Financial Position 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 Statement of Financial Position.

(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 asset of the Group that are denominated in its functional currency are as follows:

	Net Financial Asset Held in Non-Functional Currency	
	US Dollars	**Total**
	£	**£**
Group		
At 31 December 2009		
Trade receivables	8,594	8,594
Group		
At 31 December 2008		
Trade receivables	8,204	8,204

(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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

3. FINANCIAL INSTRUMENTS (Continued)

(f) Capital risk

The Group's and the Company's objectives when managing capital are to safeguard the Group's and the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

(g) The carrying amounts of financial liabilities of the Group and the Company at the Statement of Financial Position date approximated their fair values except for the following:

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

	2009		2008	
	Carrying amount £	Fair value £	Carrying amount £	Fair value £
Group				
Financial liabilities				
Bank borrowings	70,318	53,590	180,045	147,591
Contingent liabilities	83,626	@	134,019	@

@ 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

4. EMPLOYEES AND DIRECTORS

	Group 2009 £	Group 2008 £
EMPLOYEES		
Wages, salaries and bonuses	312,243	270,912
Social security contribution	3,588	3,182
Contribution to defined contribution plan	33,084	29,150
Other staff related expenses	15,116	34,577
	364,031	337,821
Less: Capitalised in development costs	-	(73,543)
	364,031	264,278
DIRECTORS		
Fees	106,221	120,295
Wages, salaries and bonuses	69,706	98,047
Social security contribution	149	235
Contribution to defined contribution plan	7,743	9,946
Total remuneration	183,819	228,523
Less: Capitalised in development costs	-	(23,589)
	183,819	204,934

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 2009 £	Group 2008 £
Bankers' acceptance interest	52,691	28,549
Term loans interest	16,074	19,798
Finance lease interest	2,292	-
	71,057	48,347

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

7. LOSS BEFORE TAX

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

	Group	
	2009	2008
	£	£
Auditors' remuneration	13,534	12,424
Auditors' remuneration underprovided in respect of the Company for 2008 and 2007	811	9,000
Employee benefits expense (excluding Directors' remuneration)	364,031	264,278
Directors' remuneration	183,819	204,934
Depreciation	149,646	170,448
Amortisation of prepaid lease payments	-	2,920
Amortisation of intangible assets	69,084	61,996
Amortisation of development costs	94,765	55,553
Property, plant and equipment written off	8,086	94,842
Development costs written off	70,956	-
Inventories written off	-	123,519
Bad debts written off	42,360	-
Operating lease expense	62,563	21,340
Waiver of debt	(813)	-
Interest income	(1,902)	(14,963)
Rental income	(3,979)	(2,840)
Grant income	(54,254)	(111,416)
(Gain)/Loss on foreign exchange		
- realised	(10,218)	2,267
- unrealised	218	(5,753)

Included in the audit fee for the Group is an amount of £9,000 in respect of the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

8. TAX

	Group 2009 £	Group 2008 £
Current tax expense:		
UK corporation tax for the year	-	-
Foreign tax	-	-
Underprovision in prior years: Foreign tax	-	253
	-	253
Deferred tax:		
- overprovision in prior year	-	(37,148)
	-	(36,895)

A reconciliation of income tax expense applicable to loss before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group is as follows:

	Group 2009 £	Group 2008 £
Loss before tax	(917,343)	(916,047)
Taxation at UK Corporation tax rate of 28% (2008: 28.5%)	(256,856)	(261,072)
Effect of different tax rates in other countries	20,319	15,403
Pioneer status tax incentive	(13,564)	(28,968)
Effect of expenses not deductible for tax	97,090	150,160
Deferred tax not recognised in respect of current year's tax losses and unabsorded capital allowances	94,703	194,663
Temporary differences in respect of property, plant and equipment not recognised	58,308	(70,186)
Underprovision of tax expenses in prior year	-	253
Overprovision of deferred tax in prior year	-	(37,148)
Tax expense for the year	-	(36,895)

Current income tax is calculated at the weighted average tax rate of 28% (2008: 28.5%), as the rate changed to 28% from April 2008.

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

8. TAX (Continued)

As at 31 December 2009, the unrecognised deferred tax assets of the Group are as follows:

	Group	
	2009	**2008**
	£	**£**
Unabsorbed tax losses	45,609	152
Unabsorbed capital allowances	36,833	39,011
Taxable temporary differences	-	(604)
At 31 December	82,442	38,559

The potential net deferred tax assets amounting to £82,442 (2008: £38,559) has not been recognised in the financial statements because it is not probable that future taxable profit will be available against which the subsidiary company can utilised the benefits.

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.

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 year was £440,533 (2008: profit for the financial year was £1,509,319).

10. EARNINGS PER SHARE

	Group	
	2009	**2008**
Consolidated loss after taxation (£)	(916,220)	(876,818)
Adjusted consolidated loss after taxation (£)	(916,220)	(876,818)
Weighted average number of shares in issue	79,934,951	79,547,278
Fully diluted weighted average number of shares in issue	79,934,951	79,547,278
Basic earnings per share (pence)	(1.15)	(1.10)
Diluted earnings per share (pence)	(1.15)	(1.10)

The basic earnings per share is calculated by dividing the loss of £916,220 (2008: loss of £876,818) attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year, which is 79,934,951 (2008: 79,547,278).

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 2009, 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

11. INTANGIBLE ASSETS

	Software £	Goodwill on consolidation £	Development Costs £	Total £
Cost				
At 1 January 2009	433,295	1,367,189	472,063	2,272,547
Additions	-	-	-	-
Written off	-	-	(70,956)	(70,956)
Foreign exchange difference	(39,853)	(124,586)	(43,903)	(208,342)
Balance at 31 December 2009	393,442	1,242,603	357,204	1,993,249
Amortisation and impairment losses	69,084	-	94,765	163,849
Net book value at 31 December 2009	324,358	1,242,603	262,439	1,829,400
Cost				
At 1 January 2008	385,028	1,030,346	273,637	1,689,011
Additions	-	3,184	178,289	181,473
Foreign exchange difference	110,263	333,659	75,690	519,612
Balance at 31 December 2008	495,291	1,367,189	527,616	2,390,096
Amortisation and impairment losses	61,996	-	55,553	117,549
Net book value at 31 December 2008	433,295	1,367,189	472,063	2,272,547

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 year 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

11. INTANGIBLE ASSETS (Continued)

(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 an eighteen month period. The projections are based on the assumption that the Group can realise projected sales. A prudent approach has been applied with no residual value being factored into these calculations. If the projected sales do not materialise there is a risk that the total value of the intangible assets shown above would be impaired. 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. A significant proportion of goodwill on consolidation relates to the acquisition of Netoss Sdn. Bhd. which is a CGU and has a carrying amount of £4,391,072 (2008: £1,364,005). It's recoverable amount has been determined based on value in use using cash flow projections and key assumptions as described in (b) above.

Development costs

Development costs will not be amortised if the product is still in its development phase. The amortisation of the development costs is over 5 years period, which in the opinion of the Directors is adequate.

12. PROPERTY, PLANT AND EQUIPMENT

Group 31 December 2009	Motor Vehicles £	Electronic Data Capture equipment £	Computer equipment £	Computer software £	Furniture and fittings £	Office equipment £	Renovation £	Total £
COST								
At 1 January 2009	-	332,619	158,088	724,884	72,855	29,623	60,297	1,378,366
Additions	98,184	11,345	16,927	871	3,873	3,828	7,465	142,493
Written off	-	-	(398)	-	(4,390)	(3,661)	(4,966)	(13,415)
Foreign exchange difference	-	(30,310)	(14,408)	(66,056)	(6,662)	(2,720)	(5,521)	(125,677)
At 31 December 2009	98,184	313,654	160,209	659,699	65,676	27,070	57,275	1,381,767
DEPRECIATION								
At 1 January 2009	-	75,404	84,227	76,402	15,470	8,848	12,751	273,102
Charge for the period -recognised in income statement	10,309	31,055	27,333	65,585	6,806	2,815	5,743	149,646
Written off	-	-	(165)	-	(1,712)	(1,465)	(1,987)	(5,329)
Foreign exchange difference	55	(6,705)	(7,532)	(6,612)	(1,382)	(798)	(1,143)	(24,117)
At 31 December 2009	10,364	99,754	103,863	135,375	19,182	9,400	15,364	393,302
NET CARRYING AMOUNT								
At 31 December 2009	87,820	213,900	56,346	524,324	46,494	17,670	41,911	988,465

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

12. PROPERTY, PLANT AND EQUIPMENT (Continued)

Group 31 December 2008	Building £	Electronic Data Capture equipment £	Computer equipment £	Computer software £	Furniture and fittings £	Office equipment £	Renovation £	Total £
COST								
At 1 January 2008	156,415	184,861	323,512	551,139	35,050	22,340	28,982	1,302,299
Additions	-	87,894	15,575	351	26,455	48	21,930	152,253
Transfer to non-current assets held for sale (Note 19)	(207,067)	-	-	-	-	-	-	(207,067)
Disposals	-	-	(14,894)	-	-	-	-	(14,894)
Written off	-	-	(270,870)	(5,081)	-	-	-	(275,951)
Foreign exchange difference	50,652	59,864	104,765	178,475	11,350	7,235	9,385	421,726
At 31 December 2008	-	332,619	158,088	724,884	72,855	29,623	60,297	1,378,366
DEPRECIATION								
At 1 January 2008	6,086	31,965	122,250	3,359	6,649	4,447	5,634	180,390
Charge for the period								
-recognised in income statement	3,360	26,843	68,917	59,221	5,411	2,402	4,294	170,448
-recognised in development cost	-	-	1,672	-	-	-	-	1,672
Transfer to non-current assets held for sale (Note 19)	(12,198)	-	-	-	-	-	-	(12,198)
Disposals	-	-	(6,612)	-	-	-	-	(6,612)
Written off	-	-	(158,007)	(1,041)	-	-	-	(159,048)
Foreign exchange difference	2,752	16,596	56,007	14,863	3,410	1,999	2,823	98,450
At 31 December 2008	-	75,404	84,227	76,402	15,470	8,848	12,751	273,102
NET CARRYING AMOUNT								
At 31 December 2008	-	257,215	73,861	648,482	57,385	20,775	47,546	1,105,264

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

12. PROPERTY, PLANT AND EQUIPMENT (Continued)

(a) During the financial year, the Group acquired property, plant and equipment at aggregate costs of £142,493 (2008: £152,253) of which £84,689 (2008: Nil) was acquired by means of finance leases arrangements. Cash payments of £57,804 (2008: £152,253) were made by the Group to purchase property, plant and equipment.

(b) Included in property, plant and equipment of the Group are motor vehicles with net carrying amounts of £87,820 (2008: Nil) held under finance leases arrangements.

(c) The net carrying amount of property, plant and equipment pledged as security for borrowings (Note 23) are as follows:

	Group	
	2009	2008
	£	£
Electronic Data Capture equipment	128,149	159,579

13. INVESTMENT IN SUBSIDIARY COMPANIES

	Company	
	2009	2008
	£	£
COST		
At 1 January/31 December	2,040,930	2,040,930

Name of Subsidiary Company	Country of incorporation	Effective Ownership Interest 2009 (%)	Effective Ownership Interest 2008 (%)	Principal Activities
MobilityOne Sdn. Bhd.	Malaysia	100	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
Pay Station Sdn. Bhd.	Malaysia	100	100	Dormant
PT. MobilityOne Indonesia	Indonesia	95	95	Provision of e-Channel products and services, technology managed services and solution sales and consultancy

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

14. INVENTORIES

	Group	
	2009	**2008**
	£	**£**
At Cost:		
Air time	241,855	343,786
Software	486,239	534,991
	728,094	878,777

15. TRADE RECEIVABLES

The Group's and the Company's normal trade credit terms range from 30 to 60 days (2008: 30 to 60 days). Other credit terms are assessed and approved on a case to case basis.

Ageing analysis

An ageing analysis of trade receivables that are neither individually nor collectively considered to be impaired is as follows:

	Group	
	2009	**2008**
	£	**£**
Neither past due nor impaired	210,804	211,565
1-2 months past due	26,950	141,525
3-12 months past due	87,389	62,199
More than 12 months past due	8,594	-
	122,933	203,724
	333,737	415,289

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

16. OTHER RECEIVABLES

	Group	
	2009	**2008**
	£	**£**
Sundry receivables	13,402	15,138
Deposits	11,907	18,175
Prepayments	56,667	14,920
	81,976	48,233

17. AMOUNT DUE FROM SUBSIDIARY COMPANY

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

18. CASH AND CASH EQUIVALENTS

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Cash in hand and at banks	56,890	93,965	2,043	3,417
Fixed deposits with licensed banks	343,414	316,120	-	-
	400,304	410,085	2,043	3,417

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.

Included in fixed deposits with licensed banks is an amount of nil (2008: £100,022) which not entitled to any deposit interest and with no maturity date.

The Group's weighted effective interest rates and maturities of deposits are 2.1% (2008: 3.1%) and 12 months (2008: 1 month) respectively.

19. NON-CURRENT ASSETS HELD FOR SALE

	Group	
	2009	2008
	£	£
Property, plant and equipment (Note 12)	177,111	194,869
Prepaid lease payment	198,331	218,215
	375,442	413,084
Deposits classified as held for sale (Note 21)	(71,090)	(36,808)
	304,352	376,276

(a) The land title of the leasehold land is still in the process of being registered in the name of MobilityOne Sdn. Bhd.

(b) The leasehold land and building have been pledged to a licensed bank for credit facilities granted to the Group as disclosed in Note 23 to the financial statements.

(c) MobilityOne Sdn. Bhd. entered into a Sale and Purchase Agreement to dispose of its land and building for a disposal price of £418,174. As at the date of this report, the said transaction was completed.

20. TRADE PAYABLES

The Group's normal trade credit terms range from 60 to 90 days (2008: 60 to 90 days).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

21. OTHER PAYABLES

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Sundry payables	281,873	204,452	914	34,375
Deposits	71,695	37,474	-	-
Accruals	31,614	17,141	13,635	12,400
	385,182	259,067	14,549	46,775
Deposits classified as held for sale (Note 19)	(71,090)	(36,808)	-	-
	314,092	222,259	14,549	46,775

22. AMOUNT DUE TO DIRECTORS

These are unsecured, interest free and repayable on demand.

23. FINANCIAL LIABILITIES - BORROWINGS

	Group	
	2009	2008
	£	£
Non-Current		
Secured:		
Term loans	-	180,045
Finance lease payables (Note 24)	70,318	-
	70,318	180,045
Current		
Secured:		
Term loans	166,443	101,143
Bankers' acceptance	1,006,345	587,130
Finance lease payables (Note 24)	9,710	-
	1,182,498	688,273
Total Borrowings		
Secured:		
Term loans	166,443	281,188
Bankers' acceptance	1,006,345	587,130
Finance lease payables (Note 24)	80,028	-
	1,252,816	868,318

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

23. FINANCIAL LIABILITIES - BORROWINGS (Continued)

The above bankers' acceptance and term loans 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 Electronic Data Capture equipment of the subsidiary company;
(c) pledge of fixed deposits of the subsidiary company;
(d) personal guarantee by a Director; and
(e) corporate guarantee by the Company.

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

	Group	
	2009	2008
	%	%
Term loans	7.51	7.66
Bankers' acceptance	6.88	6.71

The maturity of borrowings (excluding finance leases) is as follows:

	Group	
	2009	2008
	£	£
Within one year	1,172,788	688,273
Between one and two years	-	62,892
Between two and five years	-	97,941
After five years	-	19,212
	1,172,788	868,318

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

24. FINANCE LEASE PAYABLES

	Group	
	2009	2008
	£	£
Minimum lease payments:		
Not later than 1 year	14,223	-
Later than 1 year but not later than 2 years	14,223	-
Later than 2 years but not later than 5 years	42,669	-
Later than 5 years	26,031	-
	97,146	-
Less: Future finance charges	(17,118)	-
Present value of finance lease liabilities	80,028	-
Present value of finance lease payments:		
Not later than 1 year	9,710	-
Later than 1 year but not later than 2 years	10,415	-
Later than 2 years but not later than 5 years	35,476	-
Later than 5 years	24,427	-
	80,028	-
Analysed as:		
Due within 12 months (Note 23)	9,710	-
Due after 12 months (Note 23)	70,318	-
	80,028	-

The Group has finance lease contracts for certain motor vehicles as disclosed on Note 12(a).

Other information on financial risks of finance lease payables are disclosed in Note 3.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

25. CALLED UP SHARE CAPITAL

	Number of ordinary shares of £0.025 each		Amount	
	2009	2008	2009 £	2008 £
Authorised in MobilityOne Limited				
At 1January/31 December	400,000,000	400,000,000	10,000,000	10,000,000
Issued and fully paid in MobilityOne Limited				
At 1 January	78,974,951	93,937,204	1,974,374	2,348,430
At 15 January 2008 Share buyback	-	(14,962,253)	-	(374,056)
At 8 December 2009 Issuance of shares	14,600,000	-	365,000	-
At 31 December	93,574,951	78,974,951	2,339,374	1,974,374

On 15 January 2008, the Company repurchased a total of 14,962,253 ordinary shares at 9.31 pence per share for cancellation using the authority given by the shareholder of the Company at the extraordinary general meeting held on 17 December 2007. The repurchased ordinary shares were cancelled and removed from trading on AIM. Accordingly, as a result of the above share buyback, the issued share capital of the Company reduced to 78,974,951 ordinary shares of 2.5 pence each.

On 8 December 2009, the Company issued a total of 14,600,000 ordinary shares at 2.5 pence per share. Accordingly, as a result of the above issuance of shares, the issued share capital of the Company increased to 93,574,951 ordinary shares of 2.5 pence each.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

26. COMPANY EQUITY INSTRUMENT

	Share capital £	Share premium £	Retained earnings £	Total £
At 1 January 2009	1,974,374	782,234	473,430	3,230,038
Deficit for the period	-	-	(440,533)	(440,533)
Issuance of shares	365,000	-	-	365,000
At 31 December 2009	2,339,374	782,234	32,897	3,154,505
At 1 January 2008	2,348,430	782,234	(16,959)	3,113,705
Surplus for the period	-	-	1,509,319	1,509,319
Share buyback	(374,056)	-	(1,018,930)	(1,392,986)
At 31 December 2008	1,974,374	782,234	473,430	3,230,038

27. REVERSE ACQUISITION RESERVE

The acquisition of MobilityOne Sdn. Bhd. by MobilityOne Limited, which was affected through a 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 shares 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.

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

	2009 £	2008 £
GROUP		
Cash flow from operating activities		
Loss before tax	(917,343)	(916,047)
Adjustments for:		
Profit on disposal of property, plant and equipment	-	(223)
Depreciation	149,646	170,448
Amortisation on prepaid lease payments	-	2,920
Amortisation of intangible assets	69,084	61,996
Amortisation of development costs	94,765	55,553
Property, plant and equipment written off	8,086	94,842
Development costs written off	70,956	-
Bad debts written off	42,360	-
Inventories written off	-	123,519
Waiver of debts	(813)	-
Loss/(gain) on foreign exchange – unrealised	218	(5,753)
Interest paid	71,057	48,347
Interest received	(1,902)	(14,963)
Operating loss before working capital changes	(413,886)	(379,361)
Decrease in inventories	70,604	184,405
(Increase)/decrease in receivables	(36,196)	1,832,529
(Decrease)/increase in amount due to Directors	(77,206)	106,129
(Decrease)/Increase in payables	(32,977)	316,318
Cash (depleted in)/generated from operations	(489,661)	2,060,020
COMPANY		
Cash flow from operating activities		
(Loss)/profit before tax	(440,533)	1,509,319
Adjustment for:		
Dividend income	-	(1,486,023)
Loss/(gain) on foreign exchange – unrealised	239,807	(250,828)
Operating loss before working capital changes	(200,726)	(227,532)
(Decrease)/increase in payables	(32,226)	46,775
(Decrease)/increase in amount due to Directors	(57,202)	86,125
Increase in amount due from subsidiary company	(76,126)	(63,483)
Cash depleted in operations	(366,280)	(158,115)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

29. FINANCIAL COMMITMENTS

Capital commitment

	Group	
	2009	**2008**
	£	**£**
Authorised and contracted for:		
Property, plant and equipment	33,329	-

30. RELATED PARTY TRANSACTIONS

During the year, MobilityOne Sdn. Bhd. received advances £115,918 (2008: £80,018) from a company which is related to a Director.

During the prior year, Netoss Sdn. Bhd. disposed of its property, plant and equipment to a company which is related to a Director.

At the Statement of Financial Position date, the Group owed the Directors £29,047 (2008: £106,129), the Company owed the Directors £29,047 (2008: £86,125), MobilityOne Sdn. Bhd. owed the Company £1,155,129 (2008: £1,318,591), Netoss Sdn. Bhd. owed MobilityOne Sdn. Bhd. £309,264 (2008: £333,873), Pay Station Sdn .Bhd. owed MobilityOne Sdn. Bhd. £541 (2008: £440) and PT. MobilityOne Indonesia owed MobilityOne Sdn. Bhd. £19,445 (2008: £7,091), MobilityOne Sdn. Bhd. owed a company which is related to a Director £115,918 (2008: £80,018). The amounts owing to or from the subsidiary companies are repayable on demand and it is interest free.

31. ULTIMATE CONTROLLING PARTY

In the opinion of the Directors, there is no ultimate controlling party in the Company for the year ended 31 December 2009.

32. 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	
	2009	**2008**
	£	**£**
Limit of guarantees		
Corporate guarantees given to licensed banks by a subsidiary company for credit facilities granted to a third party	1,109,090	1,050,000
Amount utilized		
Banker's guarantee in favour of a third party	83,626	134,019

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

33. FOREIGN CURRENCY TRANSLATION RESERVE

The subsidiary companies' assets and liabilities stated in the Statement of Financial Position were translated into Sterling Pound (£) using the closing rate as at the Statement of Financial Position date and the income statements were translated into £ using the average rate for that period. All resulting exchange differences are taken to the foreign currency translation reserve within equity.

	2009 £	2008 £
As at 1 January	1,049,357	71,567
Currency translation differences during the year due from subsidiary companies	(497,216)	977,790
As at 31 December	552,141	1,049,357

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.

34. RETAINED EARNINGS

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

	Group	
	2009 £	2008 £
As at 1 January	(523,216)	1,372,532
Loss for the year	(916,220)	(876,818)
Share buyback	-	(1,018,930)
As at 31 December	(1,439,436)	(523,216)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2009

35. 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 Dato' Hussian @ Rizal bin A. Rahman, Seah 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			
	Number		Exercise price	
	2009	2008	2009	2008
Outstanding at beginning of year/ Balance carried forward	7,416,558	7,416,558	12.5p	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.

36. GOVERNMENT GRANTS

The Group has been awarded a £174,672 grant for a certain approved R&D project from Multimedia Development Corporation Sdn. Bhd. (MDeC) through the MSC Malaysia R&D Grant Scheme (MGS) in financial year 2007.

During the year £54,254 (2008: £111,416) was recognised in the profit and loss and the Group has now received £209,302 (2008: £155,048) out of the total government grant. In addition, grant income also consists of reimbursement from MDeC on the investment in overseas to promote the Group's products.

The grant is not dependent on fulfilment of contingencies.

This page was intentionally left blank.

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 2010 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 2009 be adopted.

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

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

4. **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.

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

6. **THAT** pursuant to Articles 2.3 and 2.4(c) of the Company's Articles of Association, the Board of Directors have general authority to issue up to and including 28,072,485 ordinary shares of 2.5p each in the share capital of the Company at their sole discretion without reference to pre-emption rights, for cash by way of general mandate.

BY ORDER OF THE BOARD

Dato' Dr. Wan Azmi bin Ariffin
Chairman

Dated: 29 June 2010

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

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, Queensway House, Hilgrove Street, St. Helier, Jersey JE1 1ES, 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.

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 2010 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 2009 be adopted.			
2. THAT Dato' Dr. Wan Azmi bin Ariffin is re-elected as a Director.			
3. THAT Dato' Hussian @ Rizal bin A. Rahman is re-elected as a Director.			
4. 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.			
5. THAT the Directors be authorised to fix the remuneration of the Auditors.			
6. THAT pursuant to Articles 2.3 and 2.4(c) of the Company's Articles of Association, the Board of Directors have general authority to issue up to and including 28,072,485 ordinary shares of 2.5p each in the share capital of the Company at their sole discretion without reference to pre-emption rights, for cash by way of general mandate.			

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: 2010

If for and on behalf of a corporation:

Signed by: ....

for and on behalf of: ....

Position: ....

Dated: 2010

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, Queensway House, Hilgrove Street, St. Helier, Jersey JE1 1ES, 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
QUEENSWAY HOUSE
HILGROVE STREET, ST. HELIER
JERSEY JE1 1ES
CHANNEL ISLANDS

FIRST FOLD HERE

This page was intentionally left blank.

This page was intentionally left blank.

MOBILITYONE
TECHNOLOGY INNOVATION IN ONE

Registered Office

MobilityOne Limited

Walker House

PO Box 72

28-34 Hill Street

Jersey JE4 8PN

Channel Islands

Business Address

MobilityOne Sdn Bhd

2-3, Incubator 2

Technology Park Malaysia, Bukit Jalil

57000 Kuala Lumpur

Malaysia

Tel : +6(03) 8996 3600

Fax : +6(03) 8996 2601

www.mobilityone.com.my