

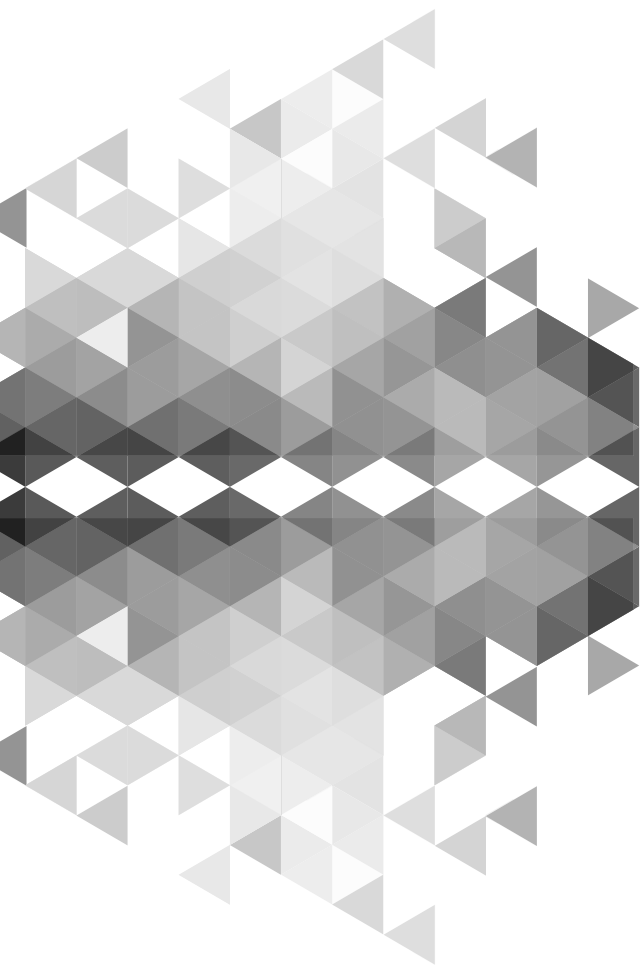
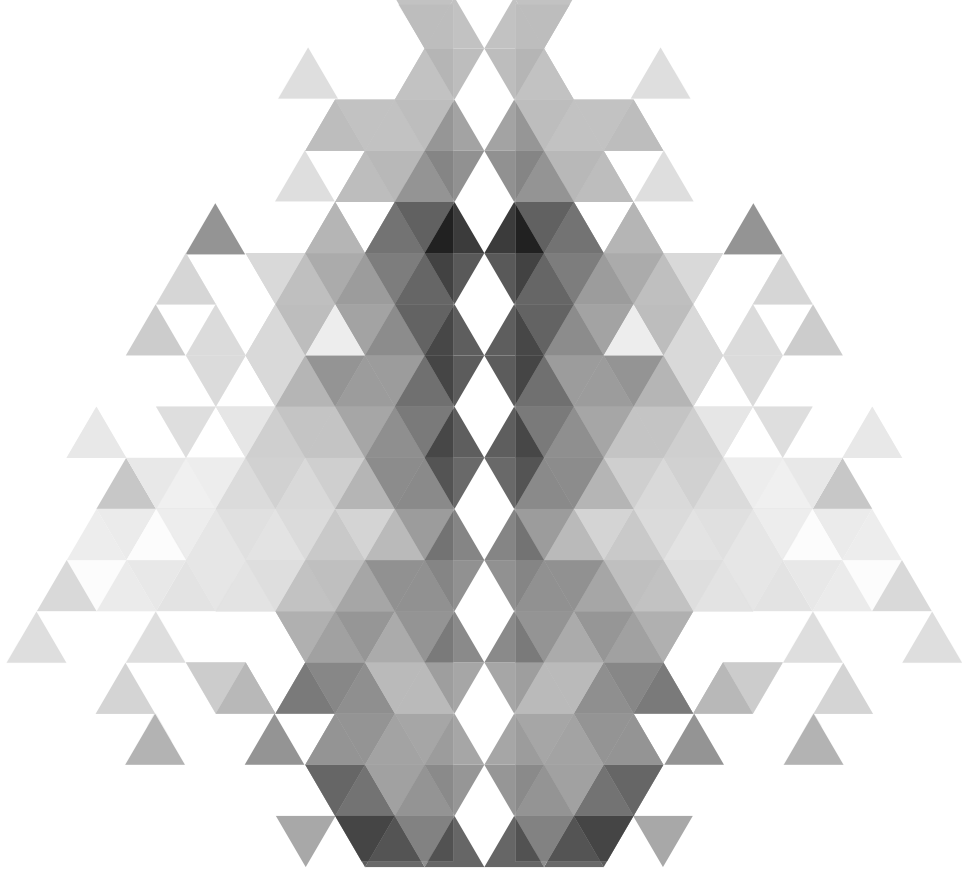


**MOBILITYONE**  
TECHNOLOGY INNOVATION IN ONE

**MOBILITYONE LIMITED**  
*Incorporated in Jersey, registered number 96293*  
**ANNUAL REPORT 2014**

Listed on AIM of the London Stock Exchange





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## COMPANY INFORMATION

**DIRECTORS** Abu Bakar bin Mohd Taib (Non-Executive Chairman)  
Dato' Hussian @ Rizal bin A. Rahman (Chief Executive Officer)  
Derrick Chia Kah Wai (Technical Director)  
Seah Boon Chin (Non-Executive Director)

**SECRETARY** TMF Channel Islands Limited  
28-30 The Parade  
St Helier  
Jersey JE1 1EQ  
Channel Islands

**REGISTERED OFFICE** 28-30 The Parade  
St Helier  
Jersey JE1 1EQ  
Channel Islands

**BUSINESS ADDRESS** 2-3, Incubator 2  
Technology Park Malaysia  
Bukit Jalil, 57000 Kuala Lumpur  
Malaysia  
Tel: +603 8996 3600

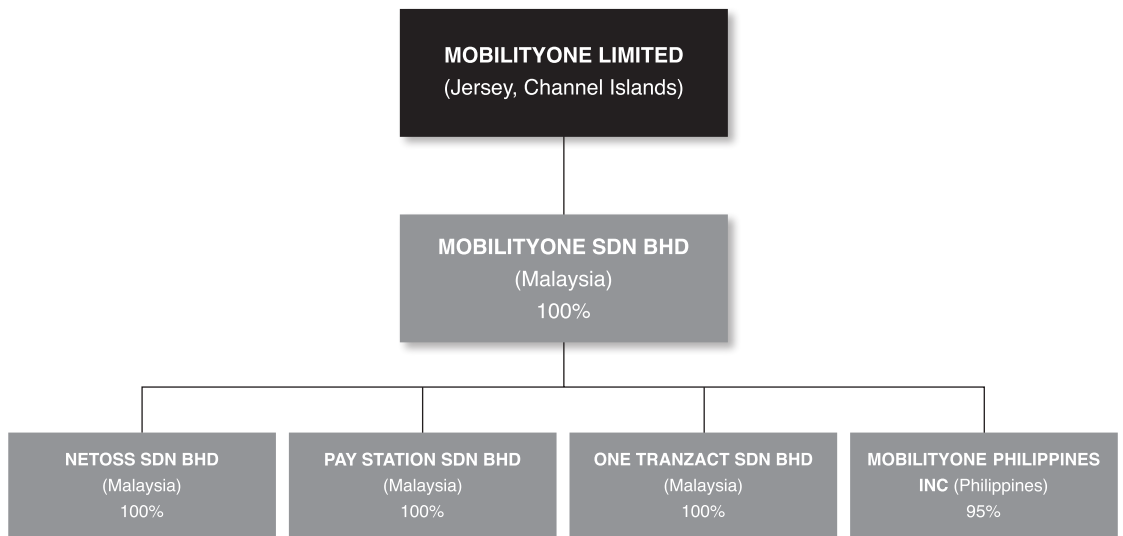
**AUDITORS** Jeffreys Henry LLP  
Finsgate 5-7 Cranwood Street  
London EC1V 9EE  
United Kingdom

**NOMINATED ADVISER AND BROKER** Allenby Capital Limited  
3 St. Helen's Place  
London EC3A 6AB  
United Kingdom

## CHAIRMAN'S STATEMENT

### INTRODUCTION

MobilityOne Limited's organisation structure is depicted below:



The Directors are pleased to present the audited consolidated financial statements for MobilityOne Limited for the year ended 31 December 2014.

The revenue of the Group increased by 3.7% to £52.96 million, which was mainly contributed by growth in the mobile phone prepaid airtime reload and bill payment business via the Group's existing banking channels (such as mobile banking, internet banking and ATMs) and payment terminal base in Malaysia. The improved performance can be attributed to organic growth with the Group's existing business partners. With the discontinuation of the loss-making operations in Cambodia and Indonesia in March 2014, the Group has successfully mitigated further losses from these operations. However, the Group made a loss on disposal of the subsidiary in Indonesia of £0.17 million and wrote off the value of equipment of £0.16 million. In view of the above, the Group reported a profit after tax of approximately £0.04 million in 2014 (compared to a loss after tax of £2.02 million in 2013).

The operations in the Philippines continued to report losses with a small revenue contribution through the provision of an e-payment solution that allows a licensed betting company in the Philippines to collect bets using the Group's mobile payment terminals.

Similarly to previous year, the international remittance services in which the Group had only 6 outlets in Malaysia did not perform as expected and continued to incur losses. The Group has recently discontinued its outlet-based international remittance services.

During the year, the Group acquired a 100% equity interest in One Tranzact Sdn Bhd ("One Tranzact") for a nominal consideration. One Tranzact is incorporated in Malaysia and has been granted the Multimedia Super Corridor ("MSC") status from Multimedia Development Corporation Sdn Bhd in Malaysia with pioneer status which exempts 100% of the statutory business income from taxation for a period of up to 10 years.

## CHAIRMAN'S STATEMENT (CONTINUED)

One Tranzact's operations are currently focused on the provision of electronic payment solutions and services to financial institutions in Malaysia.

MobilityOne Sdn Bhd, the Company's wholly-owned subsidiary operating in Malaysia, is an MSC status company, however its pioneer status expired on 25 April 2015.

### RESULTS

For the financial year ended 31 December 2014, the Group's revenue increased by 3.7% to £52.96 million (2013 revenue: £51.06 million). The increase in revenue was mainly generated by the Group's existing mobile phone prepaid airtime reload and bill payment business. The Group reported a profit after tax of approximately £0.04 million (2013 loss after tax: £2.02 million). The improvement in financial performance in 2014 was contributed by the mobile phone prepaid reload and bill payment business as well as the Group discontinuing its loss-making operations in Cambodia and Indonesia in March 2014. The Group made a loss on disposal of the subsidiary in Indonesia of £0.17 million and wrote off the value of equipment of £0.16 million.

As at 31 December 2014, the Group had cash and cash equivalents of £1.61 million (31 December 2013: cash and cash equivalents of £1.32 million). As at 31 December 2014, the secured loans and borrowings of the Group were £2.98 million (31 December 2013: £1.98 million) due to a slight increase of bank borrowings for working capital purposes and a property loan which was used to purchase the Group's new office in Kuala Lumpur, Malaysia.

### CURRENT TRADING AND OUTLOOK

The movement back into profitability for the Group in 2014 is encouraging for the Board of MobilityOne and provides confidence for the Group's future prospects. The Directors are optimistic on the performance of the Group for 2015 as the Group's prepaid airtime reload and bill payment business via the existing business channels as well as contribution from more than 1,000 new agent banking points introduced by one of the Group's banking partners recently in Malaysia is expected to continue to grow and contribute positively to the performance of the Group in 2015. Furthermore, the Group is exploring the opportunity to expand its e-payment solutions and services via One Tranzact. One Tranzact aims to capitalise on the efforts of the Malaysian central bank to encourage switching from paper-based payments to e-payments. The Directors look forward to keeping shareholders updated on developments.

.....  
**Abu Bakar bin Mohd Taib**  
Chairman

Date: 30 June 2015

## REPORT OF THE DIRECTORS

For the year ended 31 December 2014

The Directors have pleasure in submitting their report with the financial statements of the Company and the Group for the year ended 31 December 2014.

### 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 31.12.2014 £	Year ended 31.12.2013 £
Revenue	52,957,761	51,058,036
Operating profit/(loss)	420,825	(1,583,642)
Profit/(Loss) before tax	239,999	(1,743,879)
Discontinued operations, net of tax	(186,171)	(266,648)
Net profit/(loss) for the year	44,472	(2,018,562)

### KEYS RISKS AND UNCERTAINTIES

#### 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 2014

### KEYS RISKS AND UNCERTAINTIES (Continued)

#### 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.

#### Financial risks

Please refer to Note 3.

### 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 total comprehensive loss for the year ended 31 December 2014 was £29,683 (2013: £1,979,180) which has been transferred to reserves. No dividends will be distributed for the year ended 31 December 2014.

### DIRECTORS

The Directors during the year under review were:

Dato' Dr. Wan Azmi bin Ariffin (*Non-Executive Chairman; deceased in January 2014*)

Abu Bakar bin Mohd Taib (*Non-Executive Chairman; appointed on 27 June 2014*)

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

Derrick Chia Kah Wai (*Technical Director*)

Seah Boon Chin (*Non-Executive Director*)

The beneficial interests of the Directors holding office at 31 December 2014 in the ordinary shares of the Company, were as follows:

Ordinary 2.5p shares	Interest at 31.12.13	% of issued capital
Abu Bakar bin Mohd Taib	Nil	Nil
Dato' Hussian @ Rizal bin A. Rahman	53,465,724	50.3
Derrick Chia Kah Wai	Nil	Nil
Seah Boon Chin	Nil	Nil

The wife of Derrick Chia Kah Wai has 1,943,000 ordinary shares in the Company, which is 1.8% of the Company's issued capital.

**REPORT OF THE DIRECTORS** (CONTINUED)

For the year ended 31 December 2014

**DIRECTORS (Continued)**

The Directors also held the following ordinary shares under option:

	<b>Interest at 31.12.14</b>
Abu Bakar bin Mohd Taib	500,000
Dato' Hussian @ Rizal bin A. Rahman	800,000
Derrick Chia Kah Wai	2,000,000
Seah Boon Chin	2,000,000

The options were granted on 5 December 2014 at an exercise price of 2.5p. The period of the options is ten years.

The Directors' remuneration of the Group are disclosed in Note 4.

**SUBSTANTIAL SHAREHOLDERS**

As at 23 June 2015, 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:

<b>Ordinary 2.5p shares</b>	<b>Number of ordinary shares</b>	<b>% of issued capital</b>
Dato' Hussian @ Rizal bin A. Rahman	53,465,724	50.30
Thornbeam Limited	16,048,922	15.10
Estate of Dato' Shamsir bin Omar	9,131,677	8.59
Perbadanan Nasional Berhad	4,690,000	4.41

**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.

**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.



## REPORT OF THE DIRECTORS (CONTINUED)

For the year ended 31 December 2014

### 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.

### SIGNIFICANT EVENTS

Please refer to Note 32.

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Directors' Report and 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 Article 110 of the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Directors are aware, there is no relevant audit information 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.

## REPORT OF THE DIRECTORS (CONTINUED)

For the year ended 31 December 2014

### 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: 30 June 2015

## BOARD OF DIRECTORS

### **Abu Bakar bin Mohd Taib**

*(Non-Executive Chairman)*

Abu Bakar bin Mohd Taib, a Malaysian aged 62, has previously worked for several listed companies and financial institutions in Malaysia including Nestle (Malaysia) Berhad, Bank Bumiputera Malaysia Berhad (now part of CIMB Bank Berhad) and United Malayan Banking Berhad (now part of RHB Bank Berhad). He was mainly involved in corporate communications and corporate affairs until 2004. Since 2005 he has been the director of several companies that are principally involved in timber related activities in Malaysia. He obtained a Master of Business Administration in Marketing and Finance from West Coast University (USA) and a Bachelor of Science in Business Administration from California State University (USA).

### **Dato' Hussian @ Rizal bin A. Rahman**

*(Chief Executive Officer)*

Dato' Hussian @ Rizal bin A. Rahman, a Malaysian aged 53, 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 is currently a Non-Executive Director of TFP Solutions Berhad which is listed on the ACE Market of Bursa Malaysia Securities Berhad (Malaysia Stock Exchange). 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 44, 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**

*(Non-Executive Director)*

Seah Boon Chin, a Malaysian aged 43, began his career as a senior officer with Chung Khiaw Bank (Malaysia) Bhd. (now part of 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 is currently the Head of Corporate Finance with TA Securities Holdings Berhad in Malaysia and a Non-Executive Director of All Asia Asset Capital Limited, which is listed on AIM of the London Stock Exchange. He obtained his Bachelor Degree in Commerce (Honours) with Distinction from McMaster University, Canada.

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF MOBILITYONE LIMITED

We have audited the financial statements of MobilityOne Limited for the year ended 31 December 2014 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. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent Company financial statements, as applied in accordance with the provisions of the Companies (Jersey) Law 1991.

This report is made solely to the Company's members, as a body, in accordance with Article 113A 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

As explained more fully in the Directors' Responsibilities Statement set out on pages 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and the parent Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Chairman's Statement and Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### OPINION ON THE FINANCIAL STATEMENTS

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent Company's state of affairs as at 31 December 2014 and of the Group's profit and the Group's and parent Company's cash flow for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and

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

### **OPINION ON THE FINANCIAL STATEMENTS (Continued)**

- the parent Company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies (Jersey) Law 1991; and
- the financial statements have been prepared in accordance with the requirement of the Companies (Jersey) Law 1991.

### **EMPHASIS OF MATTER – INTANGIBLE ASSETS**

In forming our opinion on the financial statements which is not qualified, we have considered the adequacy of the disclosures made in note 11 which indicate the basis on which the carrying value of the intangible assets have been determined by assessing the net present value of discounted cash flow projections. These projections are based on the assumption that the group can realise projected sales. As the subsidiary Netoss Sdn. Bhd. has no significant sales history this indicates the existence of material uncertainty and as a result if the projections are not achieved, the intangible assets may become impaired.

### **OPINION ON OTHER MATTER**

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Sanjay Parmar**

Senior Statutory Auditor

For and on behalf of Jeffrey Henry LLP

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

Date: 30 June 2015

## CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2014

	Note	2014 £	2013 £
Revenue	5	52,957,761	51,058,036
Cost of sales		(49,338,665)	(47,869,527)
<b>GROSS PROFIT</b>		<b>3,619,096</b>	<b>3,188,509</b>
Other operating income		56,580	90,133
Administration expenses		(2,967,943)	(3,007,700)
Other operating expenses	7	(286,908)	(1,854,584)
<b>OPERATING PROFIT/(LOSS)</b>		<b>420,825</b>	<b>(1,583,642)</b>
Finance costs	6	(180,826)	(160,237)
<b>PROFIT/(LOSS) BEFORE TAX</b>	7	<b>239,999</b>	<b>(1,743,879)</b>
Discontinued operations, net of tax		(186,171)	(266,648)
Tax	8	(9,356)	(8,035)
<b>PROFIT/(LOSS) FOR THE YEAR</b>		<b>44,472</b>	<b>(2,018,562)</b>
Attributable to:			
Owners of the parent		47,561	(1,998,956)
Non-controlling interests		(3,089)	(19,606)
		44,472	(2,018,562)
<b>BASIC EARNINGS PER SHARE</b>	10		
Continuing operations (pence)		0.220	(1.642)
Discontinued operations (pence)		(0.175)	(0.238)
		0.045	(1.880)
<b>DILUTED EARNINGS PER SHARE</b>	10		
Continuing operations (pence)		0.220	(1.642)
Discontinued operations (pence)		(0.175)	(0.238)
		0.045	(1.880)

The notes form part of these financial statements

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2014

	2014 £	2013 £
<b>PROFIT/(LOSS) FOR THE YEAR</b>	44,472	(2,018,562)
OTHER COMPREHENSIVE LOSS:		
Foreign currency translation	(74,155)	39,382
<b>TOTAL COMPREHENSIVE INCOME/(LOSS)</b>	(29,683)	(1,979,180)
Total comprehensive profit/(loss) attributable to:		
Owners of the parent	(26,594)	(1,961,398)
Non-controlling interests	(3,089)	(17,782)
	(29,683)	(1,979,180)

The notes form part of these financial statements

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2014

	Share capital £	Non-Distributable			Distributable		Non-Controlling Interest £	Total Equity £
		Share premium £	Reverse acquisition reserve £	Foreign currency translation reserve £	Retained earnings £	Total £		
As at 1 January 2013	2,657,470	909,472	708,951	830,460	(1,916,080)	3,190,273	(2,357)	3,187,916
<b>Comprehensive loss</b>								
Loss for the year	-	-	-	-	(1,998,956)	(1,998,956)	(19,606)	(2,018,562)
Foreign currency translation	-	-	-	37,558	-	37,558	1,824	39,382
Total comprehensive loss for the year	-	-	-	37,558	(1,998,956)	(1,961,398)	(17,782)	(1,979,180)
<b>At 31 December 2013</b>	<b>2,657,470</b>	<b>909,472</b>	<b>708,951</b>	<b>868,018</b>	<b>(3,915,036)</b>	<b>1,228,875</b>	<b>(20,139)</b>	<b>1,208,736</b>

The notes form part of these financial statements



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the year ended 31 December 2014

	Non-Distributable				Distributable		Non-Controlling Interest	Total Equity
	Share capital	Share premium	Reverse acquisition reserve	Foreign currency translation reserve	Retained earnings	Total		
	£	£	£	£	£	£	£	£
As at 1 January 2014	2,657,470	909,472	708,951	868,018	(3,915,036)	1,228,875	(20,139)	1,208,736
<b>Comprehensive loss</b>								
Profit/(loss) for the year	-	-	-	-	47,561	47,561	(3,089)	44,472
Foreign currency translation	-	-	-	(74,155)	-	(74,155)	-	(74,155)
Total comprehensive loss for the year	-	-	-	(74,155)	47,561	(26,594)	(3,089)	(29,683)
Transaction with owners								
Disposal of subsidiary	-	-	-	-	-	-	20,063	20,063
Total transaction with owners	-	-	-	-	-	-	20,063	20,063
<b>At 31 December 2014</b>	<b>2,657,470</b>	<b>909,472</b>	<b>708,951</b>	<b>793,863</b>	<b>(3,867,475)</b>	<b>1,202,281</b>	<b>(3,165)</b>	<b>1,199,116</b>

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.

Non-controlling interests represent the share of ownership of subsidiary companies outside the Group.

## COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2014

	Non-Distributable			Total £
	Share Capital £	Share Premium £	Retained Earnings £	
As at 1 January 2014	2,657,470	909,472	(758,756)	2,808,186
Loss for the year	-	-	(168,586)	(168,586)
<b>At 31 December 2014</b>	<b>2,657,470</b>	<b>909,472</b>	<b>(927,342)</b>	<b>2,639,600</b>
As at 1 January 2013	2,657,470	909,472	(496,313)	3,070,629
Loss for the year	-	-	(262,443)	(262,443)
<b>At 31 December 2013</b>	<b>2,657,470</b>	<b>909,472</b>	<b>(758,756)</b>	<b>2,808,186</b>

The notes form part of these financial statements

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2014

	Note	2014 £	2013 £
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	11	565,836	720,045
Property, plant and equipment	12	562,934	529,979
		1,128,770	1,250,024
<b>Current assets</b>			
Inventories	14	545,798	749,363
Trade and other receivables	15	2,323,251	1,095,151
Cash and cash equivalents	16	1,608,255	1,319,993
Tax recoverable		3,450	10,228
		4,480,754	3,174,735
Assets of disposal group classified as held for sale	17	-	285,866
<b>TOTAL ASSETS</b>		<b>5,609,524</b>	<b>4,710,625</b>
<b>SHAREHOLDERS' EQUITY</b>			
<b>Equity attributable to owners of the parent:</b>			
Called up share capital	18	2,657,470	2,657,470
Share premium	19	909,472	909,472
Reverse acquisition reserve	20	708,951	708,951
Foreign currency translation reserve	21	793,863	868,018
Retained earnings		(3,867,475)	(3,915,036)
Shareholders' equity		1,202,281	1,228,875
Non-controlling interests		(3,165)	(20,139)
<b>TOTAL EQUITY</b>		<b>1,199,116</b>	<b>1,208,736</b>

The notes form part of these financial statements

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION** (CONTINUED)

As at 31 December 2014

	Note	2014 £	2013 £
<b>LIABILITIES</b>			
<b>Non-current liability</b>			
Loans and borrowings – secured	23	386,914	213,697
<b>Current liabilities</b>			
Trade and other payables	25	1,359,041	1,354,207
Amount due to Directors	26	73,423	98,096
Loans and borrowings – secured	23	2,591,030	1,764,168
		4,023,494	3,216,471
Liabilities directly associated with disposal group classified as held for sale	17	-	71,721
<b>Total liabilities</b>		4,410,408	3,288,192
<b>TOTAL EQUITY AND LIABILITIES</b>		5,609,524	4,710,625

The financial statements were approved and authorised by the Board of Directors on 30 June 2015 and were signed on its behalf by:

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

## COMPANY STATEMENT OF FINANCIAL POSITION

As at 31 December 2014

	Note	2014 £	2013 £
<b>ASSETS</b>			
<b>Non-current asset</b>			
Investment in subsidiary companies	13	1,976,338	1,976,338
<b>Current assets</b>			
Trade and other receivables	15	757,063	944,077
Cash and cash equivalents	16	2,018	2,028
		759,081	946,105
<b>TOTAL ASSETS</b>		<b>2,735,419</b>	<b>2,922,443</b>
<b>SHAREHOLDERS' EQUITY</b>			
<b>Equity attributable to owners of the parent:</b>			
Called up share capital	18	2,657,470	2,657,470
Share premium	19	909,472	909,472
Retained earnings	22	(927,342)	(758,756)
<b>TOTAL EQUITY</b>		<b>2,639,600</b>	<b>2,808,186</b>
<b>Current liabilities</b>			
Trade and other payables	25	29,090	23,134
Amount due to Directors	26	66,729	91,123
<b>TOTAL LIABILITIES</b>		<b>95,819</b>	<b>114,257</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,735,419</b>	<b>2,922,443</b>

The financial statements were approved and authorised by the Board of Directors on 30 June 2015 and were signed on its behalf by:

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

The notes form part of these financial statements

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2014

	Note	2014 £	2013 £
<b>Cash flow (used in)/from operating activities</b>			
Cash flow (used in)/from operations	27	(236,489)	1,256,264
Interest paid		(180,826)	(160,236)
Interest received		31,468	35,601
Tax paid		(9,168)	(7,807)
Tax refund		6,426	2,102
Net cash generated (used in)/from operating activities		(388,589)	1,125,924
<b>Cash flow from investing activities</b>			
Purchase of property, plant and equipment	12	(361,762)	(92,768)
Net cash outflow for disposal of subsidiary company		(1,123)	-
Net cash inflow for acquisition of subsidiary company		2,208	-
Net cash used in investing activities		(360,677)	(92,768)
<b>Cash flows from financing activities</b>			
Drawdown of term loan		300,739	-
Net change of banker acceptance		781,051	(21,710)
Repayment of finance lease payables		(106,708)	(104,011)
Repayment of letter of credit		-	(22,758)
Repayment of trust receipts		-	(325,793)
Repayment of term loan		(646)	-
Net cash from/(used in) financing activities		974,436	(474,272)
<b>Increase in cash and cash equivalents</b>		225,170	558,884
<b>Effect of foreign exchange rate changes</b>		63,092	(123,206)
<b>Cash and cash equivalents at beginning of year</b>		1,319,993	884,315
<b>Cash and cash equivalents at end of year</b>		1,608,255	1,319,993

The cash flows attributable to discontinued operations are as follows:

	2014 £	2013 £
Net cash flow from operating activities	-	38,235
Net cash flow from investing activities	-	-
Net cash flow from financing activities	-	-
<b>Net cash inflows</b>	-	38,235

The notes form part of these financial statements

## COMPANY STATEMENT OF CASH FLOWS

For the year ended 31 December 2014

	Note	2014 £	2013 £
<b>Cash flow from operating activities</b>			
Cash depleted in operations	27	(10)	(39)
<b>Cash flow from financing activities</b>			
Proceeds from issuance of shares		-	-
<b>Decrease in cash and cash equivalents</b>		<b>(10)</b>	<b>(39)</b>
<b>Effect of foreign exchange rate changes</b>		<b>-</b>	<b>-</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>2,028</b>	<b>2,067</b>
<b>Cash and cash equivalents at end of year</b>	<b>16</b>	<b>2,018</b>	<b>2,028</b>

The notes form part of these financial statements

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

### 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 28-30 The Parade, St Helier, Jersey JE1 1EQ, Channel Islands. The consolidated financial statements for the year ended 31 December 2014 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 solution 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 Chairman's statement 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 expect an increase in revenue and will have 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.

In addition, the controlling shareholder has also undertaken to provide support to enable the Group to meet its debts as and when they fall due.



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 2. ACCOUNTING POLICIES (Continued)

#### Going Concern (continued)

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.

The financial statement does not include any adjustments that would result if the forecast were not achieved and shareholder support was withdrawn.

#### 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 amortisation in the financial statements are as follows:

##### (i) Depreciation of property, plant and equipment

The costs of property, plant and equipment of the Group are depreciated on a straight-line basis over the useful lives of the assets. Management estimates the useful lives of the property, plant and equipment to be within 3 to 50 years. These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amounts of the Group's property, plant and equipment as at 31 December 2014 are disclosed in Note 12 to the financial statements.

##### (ii) Amortisation of intangible assets

Software is amortised over its estimated useful life. Management estimated the useful life of this asset to be within 10 years. Changes in the expected level of usage and technological development could impact the economic useful life therefore future amortisation could be revised.

The 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 2014 are disclosed in Note 11 to the financial statements.

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

##### (iii) Impairment of goodwill on consolidation

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.

**NOTES TO THE FINANCIAL STATEMENTS** (CONTINUED)

For the year ended 31 December 2014

**2. ACCOUNTING POLICIES (Continued)****Estimation uncertainty and critical judgements (continued)**

## (iii) Impairment of goodwill on consolidation (continued)

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

The Directors have carried out a detailed impairment review in respect of goodwill. The Group assesses at each reporting date whether there is an indication that an asset may be impaired, by considering the cash flows forecasts. 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 indication of impairment of the value of goodwill and of development costs.

The carrying amount of the Group's goodwill on consolidation as at 31 December 2014 is disclosed in the Note 11 to the financial statements.

## (iv) Going concern

The Group determines whether it has sufficient resources in order to continue its activities by reference to budget together with current and forecast liquidity. This requires an estimate of the availability of such funding which is critically dependent on external borrowings support from the majority shareholders of the Group and, to an extent, macro-economic factors.

**IFRS AND IAS UPDATE FOR 31 DECEMBER 2014 ACCOUNTS****Changes in accounting policies and disclosures**

During the financial year, the Group has adopted the following new and amended IFRS and IFRIC interpretations that are mandatory for current financial year:

IFRS 10	Consolidated financial statements
IFRS 12	Disclosure of interests in other entities
Amendments to IFRS 10 IFRS 11 and IFRS 12	Transition guidance
IFRS 13	Fair value measurement
IAS 19 (revised)	Employee benefits
IAS 27 (revised)	Separate financial statements
Amendment to IFRS 7	Financial instruments: Disclosures - Offsetting financial assets and financial liabilities

The impact of adopting the above amendments had no material impact on the financial statements of the Group.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 2. ACCOUNTING POLICIES (Continued)

#### IFRS AND IAS UPDATE FOR 31 DECEMBER 2014 ACCOUNTS (Continued)

##### Standards, interpretations and amendments to published standards that are not yet effective

The following standards, amendments and interpretations applicable to the Group are in issue but are not yet effective and have not been early adopted in these financial statements. They may result in consequential changes to the accounting policies and other note disclosures. We do not expect the impact of such changes on the financial statements to be material. These are outlined in the table below:

		Effective dates for financial periods beginning on or after
Amendments to IAS 32	Financial instruments: Presentation - Offsetting financial assets and financial liabilities	1 January 2014
Amendments to IFRS 10, IFRS 12 and IAS 27	Investment entities	1 January 2014
Amendments to IAS 36	Impairment of assets' – Recoverable amount disclosures for non-financial assets	1 January 2014
Amendments to IAS 39	Financial instruments: Recognition and measurement – Novation of derivatives and continuation of hedge accounting	1 January 2014
IFRS 9	Financial instruments	1 January 2014

The Directors anticipate that the adoption of these standards and the interpretations in future periods will have no material impact on the financial statements of the Group.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 2. ACCOUNTING POLICIES (Continued)

#### Basis of consolidation

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

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

#### (i) Subsidiary companies

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

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

#### (ii) Basis of consolidation

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 MobilityOneSdn. Bhd. For financial reporting purposes, MobilityOneSdn. Bhd. (the legal subsidiary company) is the acquirer and MobilityOne Limited (the legal parent company) is the acquiree.

No goodwill has been recorded and the difference between the parent Company's cost of investment and MobilityOneSdn. 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.

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.

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

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.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 2. ACCOUNTING POLICIES (Continued)

#### 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.

Revenue from remittance comprises transaction service fees charged to customers/senders. Transaction fees are received from senders and are recognised when the services are rendered and transactions are completed.

##### (ii) Interest income

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

##### (iii) Rental income

Rental income is recognised on an accrual basis.

#### 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.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 2. ACCOUNTING POLICIES (Continued)

#### Employee benefits (Continued)

##### (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 recognised 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.

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.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 2. ACCOUNTING POLICIES (Continued)

#### Functional currency translation (Continued)

##### (ii) Transactions and balances (Continued)

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 2014	5.45	5.39
Year ended 31 December 2013	5.32	4.93

#### 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 recognised. 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 recognised 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 2014

### 2. ACCOUNTING POLICIES (Continued)

#### Intangible assets

(i) Research and development costs

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

Expenditure incurred on projects to develop new products is recognised 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.

(iii) Software

Software which forms an integral part of the related hardware is capitalised with that hardware and included within property, plant and equipment. Software which are not an integral part of the related hardware are capitalised as intangible assets.

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquired and bring to use the specific software. These costs are amortised over their estimated useful life of 10 years.

#### 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.



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 2. ACCOUNTING POLICIES (Continued)

#### Impairment of assets (Continued)

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

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

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

##### (a) 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.

**NOTES TO THE FINANCIAL STATEMENTS** (CONTINUED)

For the year ended 31 December 2014

**2. ACCOUNTING POLICIES (Continued)****Property, plant and equipment (Continued)**

## (b) 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.

## (c) Depreciation

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

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

Building	50 years
Motor vehicles	5 years
Leasehold improvement	10 years
Electronic Data Capture equipment	10 years
Computer equipment	3 to 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.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 2. ACCOUNTING POLICIES (Continued)

#### Trade and other receivables

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

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

#### Cash and cash equivalents

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

#### Trade and other payables

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

#### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are recognised 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 drawn down from those borrowings.

When the borrowings are made generally, and used for the purpose of obtaining a qualifying asset, the borrowing costs eligible for capitalization are determined by applying a capitalization 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 capitalization are recognised as an expense in the profit or loss 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 2014

### 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 profit or loss over the vesting period.

#### Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision makers are responsible for allocating resources and assessing performance of the operating segments and make overall strategic decisions. The Group's operating segments are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 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 2014

## 3. FINANCIAL INSTRUMENTS (Continued)

## (b) Interest rate risk (Continued)

The following tables set out the carrying amounts, the effective interest rates 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 2014	Note	Effective Interest Rate %	Within		2-3 years	3-4 years	4-5 years	More than		Total
			1 year	1-2 years				5 years	£	
Fixed rate:										
Fixed deposits	16	2.95-3.20	1,360,747	-	-	-	-	-	-	1,360,747
Finance leases	24	2.42-3.50	(114,915)	(34,986)	(13,786)	(14,276)	(10,518)	(20,515)	(208,996)	
Floating rate:										
Bank overdraft	23	8.85	(159,305)	-	-	-	-	-	-	(159,305)
Bankers' acceptance	23	2.50	(2,312,594)	-	-	-	-	-	-	(2,312,594)
Term Loan	23	4.60	(4,216)	(4,866)	(5,516)	(6,166)	(6,816)	(269,469)	(297,049)	
At 31 December 2013										
Fixed rate:										
Fixed deposits	16	2.80-3.15	890,595	-	-	-	-	-	-	890,595
Finance leases	24	2.42-4.80	(108,184)	(117,581)	(35,795)	(14,106)	(14,801)	(31,414)	(321,881)	
Floating rate:										
Bank overdraft	23	8.60	(81,002)	-	-	-	-	-	-	(81,002)
Bankers' acceptance	23	7.09	(1,574,982)	-	-	-	-	-	-	(1,574,982)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 3. FINANCIAL INSTRUMENTS (Continued)

#### (b) Interest rate risk (continued)

##### Sensitivity analysis for interest rate risk

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group	
	2014	2013
	£	£
Floating rate instruments		
Financial liabilities (Note 23)	2,768,948	1,655,984

##### Interest rate risk sensitivity analysis

#### (i) Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Company does not designate derivatives as hedging instruments under a fair value hedged accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

#### (ii) Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points (bp) in interest rates at the end of the reporting period would have increased/(decreased) post-tax profit by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remained constant.

	Group	
	Profit or Loss	
	100 bp	100 bp
	Increase	Decrease
	£	£
2014		
Floating rate instruments	(20,767)	20,767
2013		
Floating rate instruments	(12,420)	12,420

**NOTES TO THE FINANCIAL STATEMENTS** (CONTINUED)

For the year ended 31 December 2014

**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 currencies other than the functional currencies of the Group entities primarily Ringgit Malaysia ("RM") and Indonesia Rupiah ("IDR"). 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 assets and liabilities of the Group companies that are not denominated in their functional currencies are as follows:

	Net Financial Assets/(Liabilities) Held in Non-Functional Currencies		
	Ringgit Malaysia £	US Dollars £	Total £
<b>Group</b>			
<b>At 31 December 2014</b>			
Trade and other receivables	-	-	-
Cash and bank balances	-	-	-
Trade and other payables	-	-	-
	-	-	-
<b>At 31 December 2013</b>			
Trade and other receivables	-	20,511	20,511
Cash and bank balances	-	15,506	15,506
Trade and other payables	(2,896)	(3,476)	(6,372)
	(2,896)	32,541	29,645



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 3. FINANCIAL INSTRUMENTS (Continued)

#### (d) Foreign currency exchange risk (continued)

##### Sensitivity analysis for foreign currency risk

The Group and the Company do not have significant foreign currency risk at the end of reporting date.

#### (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 2014

## 3. FINANCIAL INSTRUMENTS (Continued)

## (e) Liquidity and cash flow risks (continued)

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

2014	On demand or within one year £	On demand one to five year £	On demand over five year £	Total £
<b>Group</b>				
<b>Financial liabilities</b>				
Trade and other payables	1,358,955	-	-	1,358,955
Amount due to Directors	73,423	-	-	73,423
Loans and borrowings	2,591,030	96,930	289,983	2,977,943
<b>Total undiscounted financial liabilities</b>	<b>4,023,408</b>	<b>96,930</b>	<b>289,983</b>	<b>4,410,321</b>
<b>2013</b>				
<b>Group</b>				
<b>Financial liabilities</b>				
Trade and other payables	1,354,207	-	-	1,354,207
Amount due to Directors	98,096	-	-	98,096
Loans and borrowings	1,764,168	182,283	31,414	1,977,865
<b>Total undiscounted financial liabilities</b>	<b>3,216,471</b>	<b>182,283</b>	<b>31,414</b>	<b>3,430,168</b>
<b>2014</b>				
<b>Company</b>				
<b>Financial liabilities</b>				
Other payables	29,090	-	-	29,090
Amount due to Directors	66,729	-	-	66,729
<b>Total undiscounted financial liabilities</b>	<b>95,819</b>	<b>-</b>	<b>-</b>	<b>95,819</b>
<b>2013</b>				
<b>Company</b>				
<b>Financial liabilities</b>				
Other payables	23,134	-	-	23,134
Amount due to Directors	91,123	-	-	91,123
<b>Total undiscounted financial liabilities</b>	<b>114,257</b>	<b>-</b>	<b>-</b>	<b>114,257</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 3. FINANCIAL INSTRUMENTS (Continued)

#### (f) Fair Values

The carrying amounts of financial assets and liabilities of the Group at the reporting date approximated their fair value except as set out below:

	Group Carrying amount £	Fair value £
<b>2014</b>		
Financial lease liabilities (Note 23)	208,996	87,731
<b>2013</b>		
Financial lease liabilities (Note 23)	213,697	192,808

The carrying amounts of financial assets and financial liabilities other than the above are reasonable approximation of fair value due to their short term nature.

The carrying amounts of the current portion of borrowing is reasonable approximation of fair value due to the insignificant impact of discounting.

#### (g) 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.

**NOTES TO THE FINANCIAL STATEMENTS** (CONTINUED)

For the year ended 31 December 2014

**4. EMPLOYEES AND DIRECTORS**

	Group	
	2014	2013
	£	£
<b>EMPLOYEES</b>		
Wages, salaries and bonuses	616,194	610,834
Social security contribution	5,273	6,448
Contribution to defined contribution plan	57,069	56,987
Other staff related expenses	48,191	12,653
	726,727	686,922
Less: discontinued operations	-	-
Continuing operations	726,727	686,922
<b>DIRECTORS</b>		
Fees	80,059	77,739
Wages, salaries and bonuses	71,729	107,661
Social security contribution	192	120
Contribution to defined contribution plan	7,053	9,092
	159,033	194,612
Less: discontinued operations	-	(20,929)
Continuing operations	159,033	173,683

The number of employees (excluding Directors) of the Group and of the Company at the end of the financial year were 70 (2013: 78) and Nil (2013: Nil) respectively.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 4. EMPLOYEES AND DIRECTORS (Continued)

The details of remuneration received and receivables by the Directors of the Group during the financial year are as follows:

Group	Fees	Salaries and allowances	Bonuses	Social security contribution	Defined contribution plan	Total
2014	£	£	£	£	£	£
<u>Company's Directors:</u>						
Dato' Hussian @ Rizal						
bin A. Rahman	28,000	33,394	-	77	4,007	65,478
Derrick Chia Kah Wai	20,000	31,775	-	115	3,046	54,936
Seah Boon Chin	20,000	6,560	-	-	-	26,560
<u>Subsidiary companies' Directors:</u>						
Tengku Muhaini Binti						
Sultan Hj. Ahmad Shah	6,679	-	-	-	-	6,679
Abu Bakar Bin Mohd Taib	5,380	-	-	-	-	5,380
	80,059	71,729	-	192	7,053	159,033
<b>Group</b>						
<b>2013</b>						
<u>Company's Directors:</u>						
Dato' Hussian @ Rizal						
bin A. Rahman	28,000	36,869	-	-	4,767	69,636
Derrick Chia Kah Wai	20,000	35,070	-	120	3,331	58,521
Seah Boon Chin	20,000	7,107	-	-	-	27,107
Dato' Dr. Wan Azmi bin Ariffin	-	7,169	-	-	-	7,169
Dato' Shamsir bin Omar	-	2,553	-	-	-	2,553
<u>Subsidiary companies' Directors:</u>						
Tengku Muhaini Binti Sultan						
Hj. Ahmad Shah	7,304	-	-	-	-	7,304
Mohd Alaidin Bin Zainal Abidin	-	18,893	-	-	994	19,887
Abu Bakar Bin Mohd Taib	2,435	-	-	-	-	2,435
	77,739	107,661	-	120	9,092	194,612

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 5. OPERATING SEGMENTS

The information reported to the Group's chief operating decision maker to make decisions about resources to be allocated and for assessing their performance is based on the nature of the products and services, and has three reportable operating segments as follows:-

- (a) Telecommunication services and electronic commerce solutions
- (b) Hardware
- (c) Remittance services

Except as above, no other operating segment has been aggregated to form the above reportable operating segments.

#### Measurement of Reportable Segments

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements.

No segment assets and capital expenditure are presented as they are mostly unallocated items which comprise corporate assets and liabilities.

No geographical segment information is presented as the Group mainly trades and provides services in only one region – the Far East.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 5. OPERATING SEGMENTS (Continued)

Group 2014	Discontinued Operations	← Continuing Operations →			Total £
	Telecommunication services and electronic commerce solutions £	Telecommunication services and electronic commerce solutions £	Hardware £	Elimination £	
Segment revenue:					
Sales to external customers	-	52,849,288	108,473	-	52,957,761
Inter-segment sales	-	-	-	-	-
	-	52,849,288	108,473	-	52,957,761
Loss before tax					239,999
Discontinued operations, net of tax					(186,171)
Tax					(9,356)
Profit for the year					44,472
<b>Non-cash expenses/(income) *</b>					
Depreciation of property, plant and equipment	-	157,443	-	-	157,443
Amortisation of intangible assets	-	30,611	-	-	30,611
Amortisation of development costs	-	102,960	-	-	102,960
Property, plant and equipment written off	-	163,600	-	-	163,600
Impairment loss on goodwill	-	5,814	-	-	5,814
Loss on disposal of subsidiary company	173,262	-	-	-	173,262
	173,262	460,428	-	-	633,690

\* The disclosure for non-cash expenses has not been split according to the different segments as the cost to obtain such information is excessive and provides very little by way of information.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

Group 2013	Discontinued Operations		Continuing Operations				Total £
	Telecommunication services and electronic commerce solutions £	Telecommunication services and electronic commerce solutions £	Hardware £	Remittance Services £	Elimination £	£	
Segment revenue:							
Sales to external customers	275,101	49,839,518	1,218,518	-	-	51,058,036	
Inter-segment sales	-	37,427	-	-	(37,427)	-	
	275,101	49,876,945	1,218,518	-	(37,427)	51,058,036	
Loss before tax						(1,743,879)	
Discontinued operations, net of tax						(266,648)	
Tax						(8,035)	
Loss for the year						(2,018,562)	
Non-cash expenses *							
Bad debts written off	-	4,664	-	-	-	4,664	
Depreciation of property, plant and equipment	138	240,788	-	-	-	240,926	
Amortisation of intangible assets	82,132	77,508	-	-	-	159,640	
Amortisation of development costs	-	119,519	-	-	-	119,519	
Property, plant and equipment written off	-	315,240	-	-	-	315,240	
Impairment loss on software	-	169,790	-	-	-	169,790	
Impairment loss on goodwill	-	942,288	-	-	-	942,288	
Inventory written off	-	229	-	-	-	229	
	82,270	1,870,026	-	-	-	1,952,296	

\* The disclosure for non-cash expenses has not been split according to the different segments as the cost to obtain such information is excessive and provides very little by way of information.



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 6. FINANCE COSTS

	Group	
	2014	2013
	£	£
Bankers' acceptance interest	146,666	89,533
Finance lease interest	19,253	25,755
Bank guarantee interest	790	6,387
Bank overdraft	10,214	25,320
Letter of credit interest	-	2,115
Trust receipt interest	-	11,127
Loan from a Director	1,172	-
Term loan	2,731	-
	180,826	160,237

### 7. PROFIT/(LOSS) BEFORE TAX

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

		Group	
		2014	2013
	Note	£	£
Auditors' remuneration			
- Statutory audit			
- Current year		13,453	23,670
- Continuing operations		13,453	21,844
- Discontinued operations		-	1,826
- (Over)/underprovided		(928)	5,757
- Continuing operations		(928)	5,599
- Discontinued operations		-	158
- Others		-	24,337
Amortisation of intangible assets	11	30,611	159,640
- Continuing operations		30,611	77,508
- Discontinued operations		-	82,132
Amortisation of development costs	11	102,960	119,519
Property, plant and equipment written off	12	163,600	315,240
Impairment loss on goodwill	11	5,814	942,288
Impairment loss on software	11	-	169,790
- Continuing operations		-	17,157
- Discontinued operations		-	152,633
Inventories written off		-	229
Bad debts written off		-	4,664
Employee benefits expense (excluding Directors' remuneration)	4	726,727	686,922
- Continuing operations		726,727	686,922
- Discontinued operations		-	-

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 7. (LOSS)/PROFIT BEFORE TAX (Continued)

	Note	Group	
		2014	2013
		£	£
Directors' remuneration	4	159,033	194,612
- Continuing operations		159,033	173,683
- Discontinued operations		-	20,929
Depreciation	12	157,443	240,926
- Continuing operations		157,443	240,788
- Discontinued operations		-	138
Rental of premises and equipment		67,852	110,836
- Continuing operations		67,852	94,555
- Discontinued operations		-	16,281
Rental of motor vehicles		357	3,733
- Continuing operations		357	-
- Discontinued operations		-	3,733
Interest income		(41,644)	(35,775)
- Continuing operations		(41,563)	(35,601)
- Discontinued operations		(81)	(174)
Rental income		(4,627)	(2,739)
Loss on disposal of subsidiary company		173,262	-
- Continuing operations		-	-
- Discontinued operations		173,262	-
(Gain)/Loss on foreign exchange			
- realised		(524)	(23,050)
- Continuing operations		(524)	(36,383)
- Discontinued operations		-	13,333
- unrealised		-	189,316
- Continuing operations		-	87,270
- Discontinued operations		-	102,046

Included in the auditors' remuneration for the Group is an amount of £11,000 (2013: £11,000) in respect of the Company.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 8. TAX

	Group	
	2014	2013
	£	£
<b>Current tax expense:</b>		
Current tax expense:		
Jersey corporation tax for the year	-	-
Foreign tax	10,361	8,887
Over provision in prior year:		
Foreign tax	(1,005)	(852)
	9,356	8,035

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	
	2014	2013
	£	£
Profit/(loss) before taxation from continuing operations	239,999	(1,743,879)
Loss before taxation from discontinuing operation	(186,171)	(266,216)
	53,828	(2,010,095)
Taxation at Malaysian statutory tax rate of 25% (2013: 25%)	13,457	(502,524)
Effect of different tax rates in other countries	(3,089)	(6,274)
Effect of expenses not deductible for tax	284,983	490,733
Income not taxable for tax purpose	(291,526)	(1,441)
Utilisation of previously unrecognized unabsorbed capital allowances	(3,839)	-
Deferred tax assets not recognised during the year	10,375	28,393
Overprovision of tax expense in prior year	(1,005)	(852)
Tax expense for the year	9,356	8,035

The direct subsidiary company, MobilityOne Sdn. Bhd., was granted Pioneer Status by the relevant authorities up to 25 April 2015.

**NOTES TO THE FINANCIAL STATEMENTS** (CONTINUED)

For the year ended 31 December 2014

**8. TAX (Continued)**

As at 31 December 2014, the unrecognised deferred tax assets of the Group are as follows:

	2014	Group 2013
	£	£
Unabsorbed tax losses	296,805	277,681
Unabsorbed capital allowances	209,840	246,092
Foreign currency translation	(5,136)	(38,773)
	501,509	485,000

The potential net deferred tax assets amounting to £501,509 (2013: £485,000) 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 utilise 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 profit or loss of the Company is not presented as part of these financial statements. The Company's loss for the financial year was £168,586 (2013: £197,851).

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 10. EARNINGS PER SHARE

	Group	
	2014	2013
	£	£
<b>Profit/(loss) attributable to owners of the Parent for the computation of basic earnings/(loss) per share</b>		
Profit/(loss) from continuing operations	233,732	(1,745,640)
Loss from discontinued operations	(186,171)	(253,316)
	47,561	(1,998,956)
Issued ordinary shares at 1 January	106,298,780	106,298,780
Effect of ordinary shares issued during the period	-	-
Weighted average number of shares at 31 December	106,298,780	106,298,780
Fully diluted weighted average number of shares at 31 December	106,298,780	106,298,780
<b>Basic Earnings Per Share</b>		
Continuing operations (pence)	0.220	(1.642)
Discontinued operations (pence)	(0.175)	(0.238)
	0.045	(1.880)
<b>Diluted Earnings Per Share</b>		
Continuing operations (pence)	0.220	(1.642)
Discontinued operations (pence)	(0.175)	(0.238)
	0.045	(1.880)

The basic earnings per share is calculated by dividing the profit of £47,561 (2013: loss of £1,998,956) attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year, which is 106,298,780 (2013: 106,298,780).

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 2014, the diluted earnings per share is equivalent to the basic earnings per share as the exercise price of the share options is above the market price at the financial year end.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

## 11. INTANGIBLE ASSETS

GROUP 31 December 2014	Software £	Goodwill on consolidation £	Development Costs £	Total £
<b>Cost</b>				
At 1 January 2014	1,068,005	1,289,930	984,501	3,342,436
Disposal of subsidiary	(350,310)	(2,923)	-	(353,233)
Foreign exchange differences	(16,185)	(29,089)	(22,201)	(67,475)
At 31 December 2014	701,510	1,257,918	962,300	2,921,728
<b>Accumulated amortisation and impairment loss</b>				
At 1 January 2014	1,037,005	872,536	712,850	2,622,391
Amortisation charge for the year	30,611	-	102,960	133,571
Disposal of subsidiary	(350,310)	(2,923)	-	(353,233)
Impairment loss for the year	-	5,814	-	5,814
Foreign exchange differences	(15,796)	(19,735)	(17,120)	(52,651)
At 31 December 2014	701,510	855,692	798,690	2,355,892
<b>Net Carrying Amount</b>				
At 31 December 2014	-	402,226	163,610	565,836
31 December 2013				
<b>Cost</b>				
At 1 January 2013	1,216,581	1,389,273	1,060,322	3,666,176
Foreign exchange differences	(148,576)	(99,343)	(75,821)	(323,740)
At 31 December 2013	1,068,005	1,289,930	984,501	3,342,436
<b>Accumulated amortisation and impairment loss</b>				
At 1 January 2013	821,315	-	648,556	1,469,871
Amortisation charge for the year	159,640	-	119,519	279,159
Impairment loss for the year	169,790	942,288	-	1,112,078
Foreign exchange differences	(113,740)	(69,752)	(55,225)	(238,717)
At 31 December 2013	1,037,005	872,536	712,850	2,622,391
<b>Net Carrying Amount</b>				
At 31 December 2013	31,000	417,394	271,651	720,045

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 11. INTANGIBLE ASSETS (Continued)

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.

Goodwill on consolidation

(a) Impairment testing for goodwill on consolidation

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

(b) Key assumptions used to determine recoverable amount

The recoverable amount of a CGU is determined based on value in use calculations using cash flow projections based on financial budgets approved by the Directors covering 5 years period. The projections are based on the assumption that the Group can recognise projected sales which grow at 10% per annum is based on expected clientele over time. 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. The directors have relied on past experience and all external evidence available in determining the assumptions.

During the financial year, the Group impairment loss amounting to £5,814 (2013: £942,288) 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 £402,226 (2013: £410,833). Its 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.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

## 12. PROPERTY, PLANT AND EQUIPMENT

Group 31 December 2014	Building £	Motor Vehicles £	Leasehold improve- ment £	Electronic Data		Computer equipment £	Computer software £	Furniture and fittings £		Office equipment £	Renovation £	Total £
				Capture equipment £	Data £			£	£			
<b>Cost</b>												
At 1 January 2014	-	226,053	9,185	161,973	485,559	34,642	75,976	30,875	48,269	1,072,532		
Additions	330,765	-	-	19,486	6,130	2,755	2,626	-	-	361,762		
Written off	-	-	-	-	(262,607)	-	-	-	-	(262,607)		
Foreign exchange differences	-	(5,098)	309	(3,652)	(10,284)	(782)	(1,512)	(697)	(1,088)	(22,804)		
At 31 December 2014	330,765	220,955	9,494	177,807	218,798	36,615	77,090	30,178	47,181	1,148,883		
<b>DEPRECIATION</b>												
At 1 January 2014	-	120,392	523	73,195	227,936	18,818	48,951	21,438	31,300	542,553		
Depreciation charge for the year	2,785	34,365	1,032	33,682	66,016	3,560	8,354	2,883	4,766	157,443		
Written off	-	-	-	-	(100,666)	-	-	-	-	(100,666)		
Foreign exchange differences	(29)	(3,064)	66	(1,993)	(5,556)	(460)	(1,080)	(512)	(753)	(13,381)		
At 31 December 2014	2,756	151,693	1,621	104,884	187,730	21,918	56,225	23,809	35,313	585,949		
<b>NET CARRYING AMOUNT</b>												
At 31 December 2014	328,009	69,262	7,873	72,923	31,068	14,697	20,865	6,369	11,868	562,934		



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 12. PROPERTY, PLANT AND EQUIPMENT

Group 31 December 2013	Building £	Motor Vehicles £	Leasehold improve- ment £	Electronic			Furniture and fittings £	Office equipment £	Renovation £	Total £
				Capture equipment £	Computer equipment £	Computer software £				
<b>Cost</b>										
At 1 January 2013	-	128,941	-	414,929	203,440	736,388	77,709	32,648	49,355	1,643,410
Additions	-	106,333	9,185	6,556	297,166	9,165	3,823	976	2,442	435,646
Transfer to assets held for sale	-	-	-	-	(578)	(419)	-	(354)	-	(1,351)
Written off	-	-	-	(229,842)	-	(657,573)	-	-	-	(887,415)
Foreign exchange differences	-	(9,221)	-	(29,670)	(14,469)	(52,919)	(5,556)	(2,395)	(3,528)	(117,758)
At 31 December 2013	-	226,053	9,185	161,973	485,559	34,642	75,976	30,875	48,269	1,072,532
<b>DEPRECIATION</b>										
At 1 January 2013	-	88,336	-	228,175	180,176	371,138	44,181	19,818	28,778	960,602
Depreciation charge for the year	-	41,441	566	42,099	65,619	74,364	8,565	3,323	4,949	240,926
Transfer to assets held for sale	-	-	-	-	(116)	(84)	-	(35)	-	(235)
Written off	-	-	-	(177,648)	-	(394,527)	-	-	-	(572,175)
Foreign exchange differences	-	(9,385)	(43)	(19,431)	(17,743)	(32,073)	(3,795)	(1,668)	(2,427)	(86,565)
At 31 December 2013	-	120,392	523	73,195	227,936	18,818	48,951	21,438	31,300	542,553
<b>NET CARRYING AMOUNT</b>										
At 31 December 2013	-	105,661	8,662	88,778	257,623	15,824	27,025	9,437	16,969	529,979

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

## 12. PROPERTY, PLANT AND EQUIPMENT (Continued)

- (a) Cash payments of £361,762 (2013: £92,768) 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 £69,262 (2013: £219,410) held under finance leases arrangements.

## 13. INVESTMENT IN SUBSIDIARY COMPANIES

	Company	
	2014 £	2013 £
<b>COST</b>		
At 1 January	1,976,338	2,040,930
Less: Impairment loss during the financial year	-	(64,592)
At 31 December	1,976,338	1,976,338

Details of the subsidiary companies are as follows:

Name of Subsidiary Company	Country of incorporation	Effective Ownership of Ordinary Shares Interest **		Principal Activities
		2014 (%)	2013 (%)	
MobilityOne Sdn. Bhd.	Malaysia	100	100	Provision of e-Channel products and services, technology managed services and solution sales and consultancy
Direct subsidiary companies 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	Provision of e-Channel products and services, technology managed services and solution sales and consultancy
MobilityOne Philippines, Inc *	Philippines	95	95	Provision of IT systems and solutions and to establish a multi-channel electronic service bureau
One Trazact Sdn. Bhd.	Malaysia	100	-	Provision of electronic payment and product fulfillment

\* Audited by firm of auditors other than UHY.

\*\* All the above subsidiary undertakings are included in the consolidated financial statements.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 13. INVESTMENT IN SUBSIDIARY COMPANIES (Continued)

On 21 February 2014, the Company acquired 2 ordinary shares of RM1 each of One Tranzact Sdn. Bhd. ("One Tranzact") for a total cash consideration of RM2. Upon the acquisition, One Tranzact, a private limited liability company incorporated and domiciled in Malaysia, became a wholly-owned subsidiary of the Company.

On 12 March 2014, the Company entered into a conditional Sales and Purchase of Shares Agreement with a purchaser to dispose of its 95% equity interest held in PT. MobilityOne Indonesia for a total cash consideration of RM3. The subsidiary company was previously reported as part of the telecommunication services and electronic commerce solutions segment.

### 14. INVENTORIES

	Group	
	2014	2013
	£	£
<b>At lower of cost and net realisable value:</b>		
Airtime	545,798	749,363

### 15. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Trade receivables				
- Third partie	2,047,308	797,775	-	-
Other receivables				
- Deposits	38,403	194,038	-	-
- Prepayments	34,738	35,614	-	-
- Sundry receivables	202,802	67,724	-	-
- Amount due from subsidiary company	-	-		
	275,943	297,376	757,063	944,077
<b>Total trade and other receivables</b>	<b>2,323,251</b>	<b>1,095,151</b>	<b>757,063</b>	<b>944,077</b>

(a) The Group's and the Company's normal trade credit terms range from 30 to 60 days (2013: 30 to 60 days). Other credit terms are assessed and approved on a case to case basis.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

## 15. TRADE AND OTHER RECEIVABLES (Continued)

**Ageing analysis**

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

	Group	
	2014	2013
	£	£
Neither past due nor impaired	2,047,308	617,025
1-2 months past due	-	101,600
3-12 months past due	-	79,150
	-	180,750
	2,047,308	797,775

- (a) The Group's and the Company's normal trade credit terms range from 30 to 60 days (2013: 30 to 60 days). Other credit terms are assessed and approved on a case to case basis.

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.

- (b) Related party balances

The amount due from subsidiary companies is unsecured, non-interest bearing and is repayable on demand.

## 16. CASH AND CASH EQUIVALENTS

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Cash in hand and at banks	247,508	429,398	2,018	2,028
Fixed deposits with licensed bank	1,360,747	890,595	-	-
Cash and bank balances	1,608,255	1,319,993	2,018	2,028
Less : Bank overdraft (Note 23)	(159,305)	(81,002)	-	-
Cash and cash equivalents	1,448,950	1,238,991	2,018	2,028

- (a) 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.

- (b) The Group's effective interest rates and maturities of deposits are range from 2.95% – 3.20% (2013: 2.80% – 3.15%) and from 1 month to 12 months (2013: 1 month to 12 months) respectively.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 17. ASSETS OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

On 12 March 2014, MobilityOne Sdn.Bhd, a subsidiary of the Company had entered into a conditional Sale and Purchase of Shares Agreement with a third party to dispose of its equity interest held in PT MobilityOne Indonesia (“the Disposal”) for a total cash consideration of RM3.00. The Disposal is in line with the business strategies of Group to focus on its principal activity in provision of e-Channel products and services, technology managed services and solutions sales and consultancy.

During previous financial year, the assets and liabilities related to PT. MobilityOne Indonesia had been presented in the statement of financial position as “Assets of disposal group classified as held for sale” and “Liabilities directly associated with the disposal group classified as held for sale” and its results were presented separately on the statement of comprehensive income as “Loss from discontinued operation, net of tax”.

The major classes of assets and liabilities of PT. MobilityOne Indonesia classified as held for sale were as follows:

	Group	
Statement of Financial Position	2014	2013
	£	£
<b>Non-Current Asset</b>		
Property, plant and equipment	-	1,116
<b>Current Assets</b>		
Trade receivables	-	236,269
Cash and bank balances	-	48,480
Asset of disposal group classified as held for sale	-	285,865
<b>Current Liabilities</b>		
Trade and other payables	-	49,545
Amount owing to Directors	-	2,932
Tax Payable	-	19,244
	-	71,721

The result of PT MobilityOne Indonesia For the year ended 31 December 2014 is as follows:

	Group	
Statement of Comprehensive Income	2014	2013
	£	£
Revenue	-	275,100
Cost of sales	-	(183,235)
Gross profits	-	91,865
Other operating income	81	172
Administrative expenses	(12,990)	(78,473)
Other operating expenses	(173,262)	(279,780)
Loss before tax	(186,171)	(266,216)
Taxation	-	(432)
Loss from discontinued operations, net of tax	(186,171)	(266,648)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

## 17. ASSETS OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (Continued)

The cash flows attributable to PT MobilityOne Indonesia are as follows:

Statement of cash flows	Company	
	2014 £	2013 £
Operating	-	36,332
Investing	-	-
Financing	-	-

## 18. CALLED UP SHARE CAPITAL

	Number of ordinary shares of £0.025 each		Amount	
	2014 £	2013 £	2014 £	2013 £
<b>Authorised in MobilityOne Limited</b>				
At 1 January/31 December	400,000,000	400,000,000	10,000,000	10,000,000
<b>Issued and fully paid in MobilityOne Limited</b>				
At 1 January	106,298,780	106,298,780	2,657,470	2,657,470
Issuance of shares	-	-	-	-
At 31 December	106,298,780	106,298,780	2,657,470	2,657,470

## 19. COMPANY EQUITY INSTRUMENTS

	Share capital £	Share premium £	Retained earnings £	Total £
At 1 January 2014	2,657,470	909,472	(758,756)	2,808,186
Loss for the year	-	-	(168,586)	(168,586)
At 31 December 2014	2,657,470	909,472	(927,342)	2,639,600
At 1 January 2013	2,657,470	909,472	(496,313)	3,070,629
Loss for the year	-	-	(262,443)	(262,443)
At 31 December 2013	2,657,470	909,472	(758,756)	2,808,186

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 20. 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.

### 21. 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.

	2014 £	2013 £
At 1 January	868,018	830,460
Currency translation differences during the year	(74,155)	37,558
At 31 December	793,863	868,018

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.

### 22. RETAINED EARNINGS

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

	Group		Company	
	2014 £	2013 £	2014 £	2013 £
At 1 January	(3,915,036)	(1,916,080)	(758,756)	(496,313)
Profit/(loss) for the year	47,561	(1,998,956)	(168,586)	(262,443)
At 31 December	(3,867,475)	(3,915,036)	(927,342)	(758,756)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

## 23. FINANCIAL LIABILITIES – LOANS AND BORROWINGS

	Group	
	2014	2013
	£	£
<b>Non-Current</b>		
Secured:		
Finance lease payables (Note 24)	94,081	213,697
Term loan	292,833	-
	386,914	1,764,168
<b>Current</b>		
Secured:		
Bankers' acceptance	2,312,594	1,574,982
Bank overdraft (Note 16)	159,305	81,002
Finance lease payables (Note 24)	114,915	108,184
Term loan	4,216	-
	2,591,030	1,764,168
<b>Total Borrowings</b>		
Secured:		
Bankers' acceptance	2,312,594	1,574,982
Bank overdraft (Note 16)	159,305	81,002
Finance lease payables (Note 24)	208,996	321,881
Term loan	297,049	-
	2,977,944	1,977,865

The bankers' acceptance, bank overdraft, letter of credits and trust receipts are secured by the following:

- (a) pledged of fixed deposits of a subsidiary company (Note 16);
- (b) personal guarantee by Dato' Hussian @ Rizal bin A. Rahm, a Director of the Company; and
- (c) corporate guarantee by the Company.

The term loan is secured by the following:

- (a) Charge over the Company's building (Note 12); and
- (b) joint and several guaranteed by Dato' Hussian @ Rizal bin A. Rahman and Derrick Chia Kah Wai, the Directors of the Company.

The effective interest rates of the Group for the above facilities other than finance leases are as follows:

	Group	
	2014	2013
	%	%
Bankers' acceptance	2.50	7.09
Bank overdraft	8.85	8.60
Term loan	4.60	-



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 23. FINANCIAL LIABILITIES – LOANS AND BORROWINGS (Continued)

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

	Group	
	2014	2013
	£	£
Within one year	2,476,115	1,655,984
Between one to two years	4,866	-
Between two to three years	5,516	-
Between three and four years	6,166	-
Between four to five years	6,816	-
More than five years	269,469	-
	2,768,948	1,655,984

Other information on financial risks of borrowings are disclosed in Note 3.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 24. FINANCE LEASE PAYABLES

	Group	
	2014	2013
	£	£
Minimum lease payments:		
Not later than 1 year	124,846	127,735
Later than 1 year but not later than 2 years	38,277	127,735
Later than 2 years but not later than 5 years	32,089	72,175
Later than 5 years	33,105	33,501
	228,317	361,146
Less: Future finance charges	(19,321)	(39,265)
Present value of finance lease liabilities	208,996	321,881
Present value of minimum lease payments:		
Not later than 1 year	114,915	108,184
Later than 1 year but not later than 2 years	34,986	117,581
Later than 2 years but not later than 5 years	38,580	64,702
Later than 5 years	20,515	31,414
	208,996	321,881
Analysed as:		
Due within 12 months (Note 19)	114,915	108,184
Due after 12 months (Note 19)	94,081	213,697
	208,996	321,881

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

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 2014

### 25. TRADE AND OTHER PAYABLES

	Group		Company	
	2014 £	2013 £	2014 £	2013 £
Trade payables				
- Third parties	990,163	954,529	-	-
Other payables				
- Deposits	46,621	46,560	-	-
- Accruals	150,931	123,817	29,090	23,134
- Sundry payables	171,326	229,301	-	-
	368,878	399,678	29,090	23,134
Total trade and other payables	1,359,041	1,354,207	29,090	23,134
Add: Amount due to Directors (Note 26)	73,423	98,096	66,729	91,123
Add: Loans and borrowings (Note 23)	2,977,944	1,977,865	-	-
Total financial liabilities carried at amortised costs	4,410,408	3,430,168	95,819	114,257

(a) The Group's normal trade credit terms range from 30 to 90 days (2013: 30 to 90 days).

(b) Other payables are non-interest bearing. Other payables are normally settled on an average terms of 60 days (2013: 60 days).

### 26. AMOUNT DUE TO DIRECTORS

	Group		Company	
	2014 £	2013 £	2014 £	2013 £
Dato' Hussian @ Rizal bin A. Rahman	68,999	69,930	62,305	61,957
Derrick Chia Kah Wai	2,212	8,974	2,212	8,974
Seah Boon Chin	2,212	20,192	2,212	20,192
	73,423	98,096	66,729	91,123

These are unsecured, interest free and repayable on demand.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

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

	Group	
	2014	2013
	£	£
<b>Cash flow from operating activities</b>		
Profit/(loss) before tax		
- Company	239,999	(1,743,879)
- Discontinued operation	(186,171)	(266,216)
	53,828	(2,010,095)
Adjustments for:		
Bad debts written off	-	4,664
Depreciation of property, plant and equipment	157,443	240,926
Amortisation of intangible assets	30,611	159,640
Amortisation of development costs	102,960	119,519
Property, plant and equipment written off	163,600	315,240
Impairment loss on software	-	169,790
Impairment loss on goodwill	5,814	942,288
Inventory written off	-	229
Interest expenses	180,826	160,236
Loss on disposal of subsidiary company	173,262	-
Interest income	(41,644)	(35,601)
Operating profit before working capital changes	826,700	66,836
Decrease in inventories	191,786	129,917
(Increase)/Decrease in receivables	(1,235,136)	172,204
(Decrease)/Increase in amount due to Directors	(24,673)	28,365
Increase in payables	4,834	858,942
Cash generated (used in)/from operations	(236,489)	1,256,264
<b>Cash flow from operating activities</b>		
Loss before tax	(168,586)	(262,443)
Adjustments for:		
Loss on foreign exchange - unrealised	-	-
Impairment loss on investment in a subsidiary company	-	64,592
Operating loss before working capital changes	(168,586)	(197,851)
Increase/(Decrease) in payables	5,956	(15,602)
(Decrease)/Increase in amount due to Directors	(24,394)	52,869
Decrease in amount due from subsidiary company	187,014	160,545
Cash depleted in operations	(10)	(39)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2014

### 28. RELATED PARTY TRANSACTIONS

During the year, MobilityOne Sdn. Bhd. received advances of Nil (2013: £18,492) from LMS Technology Distribution Sdn. Bhd., a company which is related to a Director.

At the Statement of Financial Position date, the Group owed the Directors £73,423 (2013: £97,986), the Company owed the Directors £66,729 (2013: £91,123), MobilityOne Sdn. Bhd. owed the Company £757,063 (2013: £944,077), Netoss Sdn. Bhd. owed MobilityOne Sdn. Bhd. £598,217 (2013: £443,627), Pay Station Sdn. Bhd. owed MobilityOne Sdn. Bhd. £4,791 (2013: £4,713) and One Tranzact Sdn. Bhd. owed MobilityOne Sdn. Bhd. £4,536 (2013: Nil), and Netoss Sdn. Bhd. owed LMS Digital Sdn. Bhd., a company related to a Director, Nil (2013: £18,760) and LMS Technology Distribution Sdn. Bhd. £14,424 (2013: £14,524). The amounts owing to or from the subsidiary companies and related parties are repayable on demand and are interest free.

During the financial year, Netoss Sdn. Bhd. paid LMS Digital Sdn. Bhd. and LMS Technology Distribution Sdn. Bhd. Nil (2013: £5,206) and Nil (2013: £277,037) respectively on expenses incurred. Services rendered by Netoss Sdn. Bhd. to MobilityOne Sdn. Bhd. during the financial year is amounting to Nil (2013: £35,563).

### 29. ULTIMATE CONTROLLING PARTY

In the opinion of the Directors, as at 31 December 2014, the ultimate controlling party in the Company is Dato's Hussain @ Rizal bin A. Rahman by virtue of his shareholding.

### 30. 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	
	2014	2013
	£	£
<b>Limit of guarantees</b>		
Corporate guarantee given to a licensed bank by the Company for credit facilities granted to a subsidiary company	4,377,560	4,377,560
<b>Amount utilised</b>		
Banker's guarantee in favour of third parties	890,595	890,595

**NOTES TO THE FINANCIAL STATEMENTS** (CONTINUED)

For the year ended 31 December 2014

**31. SHARE BASED PAYMENTS**

During the year ended 31 December 2014, the Company granted share options of 10,600,000 shares at 2.5p to directors and employees of the Group. No charge has been made for the share based payments as it is not considered to be material.

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

Grant date	5 December 2014
Share price at grant date	1.5p
Exercise price	2.5p
Option life in years	10 years
Risk free rate	4.24%
Expected volatility	40%
Expected dividend yield	0%
Fair value of options	1p

No options have been exercised or lapsed.

**32. SIGNIFICANT EVENTS**

1. On 21 February 2014, MobilityOne Sdn Bhd, a subsidiary of the Company, had acquired 2 ordinary shares of RM1 each representing 100% equity interests in One Tranzact Sdn. Bhd ("One Tranzact"), a company incorporated in Malaysia for a total cash consideration of 2 Malaysia Ringgit (approximately £0.35). Subsequently One Tranzact became an indirect subsidiary of the Company.
2. On 12 March 2014, MobilityOne Sdn Bhd, a subsidiary of the Company, had entered into a conditional Sale and Purchase of Shares Agreement with a purchaser to dispose of its equity interest held in PT MobilityOne Indonesia for a total cash consideration of 12,000 Indonesia Rupiah (approximately £0.65). As a result, the assets and liabilities of PT MobilityOne Indonesia had been reclassified as disposal group held for sale in previous financial year presented in Note 17.

## 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 23 July 2015 at B-10-8, Level 10, Megan Avenue II, Jalan Yap Kwan Seng, 50450 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 2014 be adopted.
2. **THAT** Derrick Chia Kah Wai is re-elected as a Director.
3. **THAT** Seah Boon Chin is re-elected as a Director.
4. **THAT** Jeffrey's 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.

### BY ORDER OF THE BOARD

**Abu Bakar bin Mohd Taib**

Chairman

Dated: 30 June 2015

### 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 (Jersey) 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.

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 B-10-8, Level 10, Megan Avenue II, Jalan Yap Kwan Seng, 50450 Kuala Lumpur, Malaysia on 23 July 2015 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 2014 be adopted.			
2. THAT Derrick Chia Kah Wai is re-elected as a Director.			
3. THAT Seah Boon Chin is re-elected as a Director.			
4. 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.			

*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: ..... 2015

**If for and on behalf of a corporation:**

Signed by: .....

for and on behalf of: .....

Position: .....

Dated: ..... 2015

**Notes:**

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



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THEN FOLD HERE

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AFFIX  
STAMP

**COMPANY'S REGISTRARS**  
**MOBILTYONE LIMITED**

QUEENSWAY HOUSE  
HILGROVE STREET, ST. HELIER  
JERSEY JE1 1ES  
CHANNEL ISLANDS

FIRST FOLD HERE

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[www.mobilityone.com.my](http://www.mobilityone.com.my)

**REGISTERED OFFICE**

MobilityOne Limited  
28-30 The Parade  
St Helier  
Jersey JE1 1EQ  
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 3601