



MOBILITYONE

MOBILITYONE LIMITED

Incorporated in Jersey, registered number 96293

ANNUAL REPORT 2023

Listed on AIM of the London Stock Exchange



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COMPANY INFORMATION

For the year ended 31 December 2023

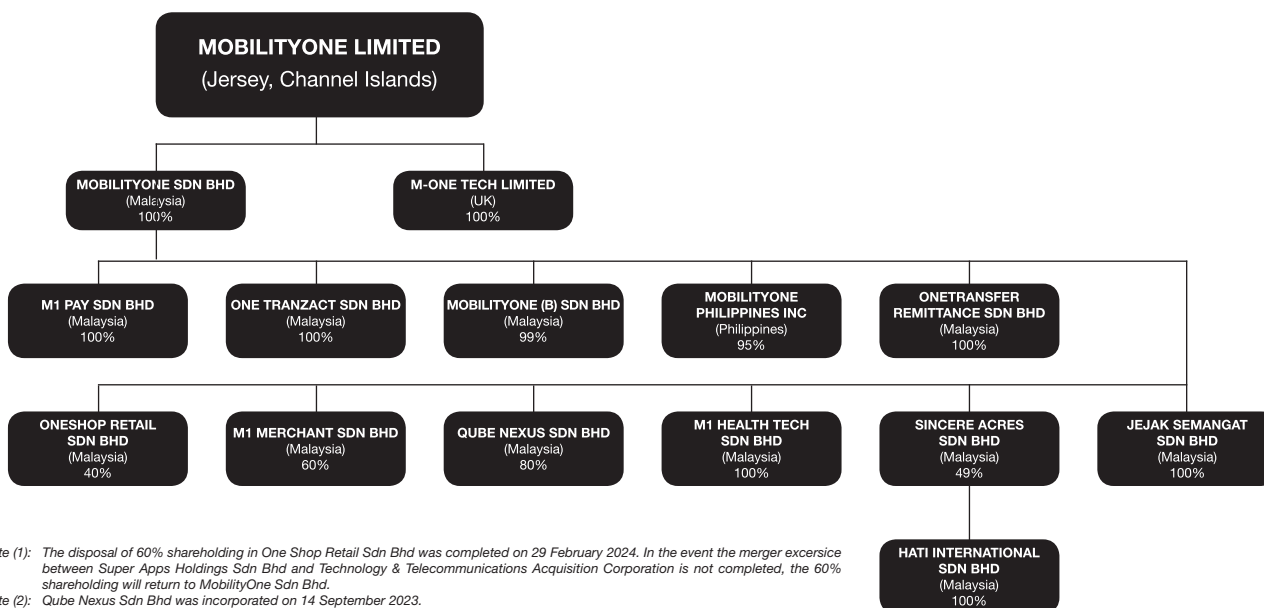
DIRECTORS	Abu Bakar bin Mohd Taib (Non-Executive Chairman) Dato' Hussian @ Rizal bin A. Rahman (<i>Chief Executive Officer</i>) Derrick Chia Kah Wai (<i>Deputy Chief Executive Officer</i>) Seah Boon Chin (<i>Non-Executive Director</i>) Azlinda Ezrina binti Ariffin (<i>Non-Executive Director</i>)
SECRETARY	Computershare Company Secretarial Services (Jersey) Limited 13 Castle Street St Helier Jersey JE1 1ES Channel Islands
REGISTERED OFFICE	13 Castle Street St Helier Jersey JE1 1ES Channel Islands
BUSINESS ADDRESS	2-3, Incubator 2 Technology Park Malaysia Bukit Jalil 57000 Kuala Lumpur Malaysia Tel: +603 8996 3600
AUDITOR	Gravita Audit Limited Aldgate Tower 2 Lemn Street London E1 8FA United Kingdom
NOMINATED ADVISER AND BROKER	Allenby Capital Limited 5 St. Helen's Place London EC3A 6AB United Kingdom

CHAIRMAN'S STATEMENT

For the year ended 31 December 2023

INTRODUCTION

MobilityOne Limited's current organisation structure is depicted below:



Note (1): The disposal of 60% shareholding in One Shop Retail Sdn Bhd was completed on 29 February 2024. In the event the merger exercise between Super Apps Holdings Sdn Bhd and Technology & Telecommunications Acquisition Corporation is not completed, the 60% shareholding will return to MobilityOne Sdn Bhd.

Note (2): Qube Nexus Sdn Bhd was incorporated on 14 September 2023.

Note (3): The 100% shareholding of M1 Health Tech Sdn Bhd (formerly known as M1 AP Sdn Bhd) was transferred from MobilityOne Limited to MobilityOne Sdn Bhd on 18 March 2024.

Note (3): The 100% shareholding of M1 Health Tech Sdn Bhd (formerly known as M1 AP Sdn Bhd) was transferred from MobilityOne Limited to MobilityOne Sdn Bhd on 18 March 2024.

Note (4): The acquisition of 49% shareholding in Sincere Acres Sdn Bhd as an associated company was completed on 4 October 2023. There are 3 dormant subsidiaries which will be disposed or struck off in 2024.

Note (5): The acquisition of 100% shareholding in Jejak Semangat Sdn Bhd was completed on 2 July 2024.

The Directors are pleased to present the audited consolidated financial statements for MobilityOne Limited for the financial year ended 31 December 2023.

The Group's revenue increased by £7.91 million to £241.67 million in the financial year ended 31 December 2023, (year ended 31 December 2022: revenue of £233.76 million) as a result of increased demand from the Group's main products and services, namely the mobile phone prepaid airtime reload and bill payment business through the Group's banking channels (i.e. mobile banking and internet banking) and electronic data capture terminals as well as third parties' e-wallet applications. The Malaysian market continued to account for the majority of the Group's revenue.

As a result of an increase in cost of sales, administrative expenses, finance costs as well as the Group's share of its 49%-owned associated company's loss, namely Sincere Acres Sdn Bhd which was acquired on 4 October 2023, the Group registered a loss after tax of £1.41 million in the financial year ended 31 December 2023 (year ended 31 December 2022: profit after tax of £16,628).

The Group's international remittance services and e-money business in Malaysia and payment solution business in Brunei and the Philippines continued to remain small and did not make a significant contribution to the Group in the financial year ended 31 December 2023. As announced previously by the Group, the Group has discontinued to explore new business in the Philippines. However, if there is any new business opportunity in the future, the Group may consider exploring.

As at 31 December 2023, the Group had cash and cash equivalents (excluding other financial assets which are fixed deposits with maturities over 3 months) of £3.54 million (31 December 2022: cash and cash equivalents (excluding other financial assets which are fixed deposits with maturities over 3 months) of £4.36 million) while the secured loans and borrowings from financial institutions increased to £4.22 million (31 December 2022: £3.87 million) mainly due to payments for higher cost of sales and higher administrative expenses.



CHAIRMAN'S STATEMENT (CONTINUED)

For the year ended 31 December 2023

REVIEW OF ACTIVITIES AND OUTLOOK

The Group's business activities are predominately concentrated in Malaysia. According to the Central Bank of Malaysia in March 2024, it was reported that the Malaysian economy is projected to grow between 4.0% and 5.0% in 2024, underpinned by continued expansion in domestic demand and improvement in external demand,

In May 2024, the Central Bank of Malaysia reported that the Malaysian economy grew at a higher rate of 4.2% in the first quarter of 2024 (fourth quarter 2023: 2.9%), driven by stronger private expenditure and positive turnaround in exports. Household spending was higher amid continued growth in employment and wages. Growth in 2024 is anticipated to be driven by resilient domestic expenditure with additional support from the recovery in external demand. On the domestic front, continued employment and wage growth is also anticipated to support household spending. Increased tourism and associated tourist spending is expected to continue. This growth outlook remains subject to downside risks stemming from weaker-than-expected external demand, further escalation in geopolitical conflicts and larger declines in domestic commodity production. Nonetheless, there are upside risks from greater spillover from the tech upcycle, more robust tourism activities and faster implementation of existing and new investment projects.

Mobile phone prepaid airtime reloads and bill payments continued to be the main business activities for the Group in the year ended 31 December 2023. The Group's international remittance and e-money businesses in Malaysia as well as the payment solution business in Brunei and Philippines are expected to remain insignificant.

On 1 June 2022 the Company announced, amongst other things, that MobilityOne Sdn Bhd ("**M1 Malaysia**"), the Group's wholly-owned operating subsidiary in Malaysia, which received a licence from MasterCard Asia/Pacific Pte Ltd ("**MasterCard**") to issue MasterCard prepaid cards, had obtained approval from the Central Bank of Malaysia to introduce international scheme prepaid cards under the MasterCard's brand in Malaysia. The Group has commenced the issuance of MasterCard prepaid cards in Malaysia on a small scale to complement the Group's existing e-wallet and this part of the Group's end-to-end payment ecosystem.

On 11 May 2023, the Company announced that M1 Tech Limited ("**M1 Tech**"), the Group's wholly-owned subsidiary in the UK, had withdrawn its application to the Financial Conduct Authority (the "**FCA**"), the financial regulatory body in the UK, for authorisation as an electronic money institution to provide e-money services in the UK. This follows receipt of further feedback from the FCA requesting further information in relation to certain disclosures relating to M1 Tech's proposed business plan. On 29 September 2023, the Group announced that it was reviewing its proposed business plan to expand its business in the UK and its options in relation to submitting a further revised FCA application. Following an extensive review process, the Group has decided not to submit a revised application to the FCA and instead will continue to focus on its businesses in Malaysia as well as other new business opportunities.

On 26 June 2023 M1 Malaysia entered into a joint venture cum shareholders agreement with Syed Faisal Algadrie Bin Syed Hassan ("**Syed Faisal**") to incorporate "Qube Nexus Sdn Bhd" ("**Qube**") to explore any suitable business opportunities from the Kingdom of Saudi Arabia. M1 Malaysia and Syed Faizal had incorporated Qube on 14 September 2023 and own 80% and 20% of the equity interest in Qube, respectively. There has not been any material development in relation to this joint venture.

As part of the Group's business plans for long-term growth, the Group has the following initiatives:

(1) Money transfer business via SWIFT

As previously disclosed, the Group intends to expand its money transfer business via the Society for Worldwide Interbank Financial Telecommunication ("**SWIFT**") network. The Group is still working with a bank in Malaysia on the integration process while waiting for the Central Bank of Malaysia's approval, the timings of which continue to remain uncertain. The Company will make any relevant announcements on the arrangement with SWIFT as and when is appropriate.

CHAIRMAN'S STATEMENT (CONTINUED)

For the year ended 31 December 2023

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

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

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

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

- (a) RM40.0 million (c. £6.84 million) in cash within 14 days upon completion of the Merger Exercise; and
- (b) RM20.0 million (c. £3.42 million) in cash within 180 days upon completion of the Merger Exercise.

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

Tete Technologies Inc, a wholly-owned subsidiary of TETE, has since filed a draft proxy statement ("**TETE Proxy Filing**") with the SEC and the TETE Proxy Filing is subject to the approval by the SEC. The Company will release further announcements as and when appropriate.

It was announced by the Group on 18 June 2024 that the deadline to complete the Merger Exercise was extended from 20 July 2024 to 20 January 2025. There can be no guarantee that the payment for the consideration of the Disposal and the Proposed Joint Venture can be completed as they are conditional on the completion of the Merger Exercise, which is out of the Group's control. The payment for the consideration of the Disposal and the completion of the Proposed Joint Venture are expected to contribute positively to the financial position and future growth prospects of the Group.



CHAIRMAN'S STATEMENT (CONTINUED)

For the year ended 31 December 2023

(3) Acquisition of Hati International Sdn Bhd ("Hati") via Sincere Acres Sdn Bhd ("Sincere")

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

On 8 March 2024, the Second Tranche Payment Date was extended until 8 September 2024 ("**Extended Second Tranche Payment Date**"). However, any payment in relation to the Second Tranche made after the Second Tranche Payment Date will be subject to an interest charge of 10% per annum. The balance amount payable for the Second Tranche (including any interest charge) shall be reduced by RM1.0 million (c. £0.174 million) when the payment is made by the Extended Second Tranche Payment Date.

Sincere is an investment holding company with its sole business activity comprising of owning a 100% equity interest in Hati, an operating company in Malaysia. Hati is a healthcare information systems provider in Malaysia focused on healthcare software development and information technology. Through the use of cloud service platforms and software system solutions, Hati has developed a product suite comprising of hospital information systems, clinical information systems, business intelligence platforms and Internet of Things (IoT)/Artificial Intelligence (AI) enabled platforms.

The Acquisition has a number of synergistic benefits for both the Group and Hati. The Acquisition is anticipated to enable the Group to vertically integrate its existing electronic payment systems and services with Hati's suite of existing products to support payment methods such as credit cards, debit cards and eWallets via online payments and over the counter payments. In addition, the Acquisition will result in Hati being able to utilise the Group's infrastructure and engineering know-how to automate electronic billing and invoicing.

As part of the Group's long-term growth strategy, the Group intends to develop a payment system that integrates the Group's e-claims and e-payments services with insurance companies thereby resolving cash flow issues typically faced by hospitals and clinics. The Group also intends to explore potential collaborations with the Group's telecommunication partners in order to enable Hati's real-time IoT/AI enabled healthcare devices to operate over 5G cellular networks. With the above, the Group can also expand its customers base for its existing electronic payment systems and services. In addition, the Acquisition will enable the Group to amongst other benefits, diversify its existing business activities into the growing healthcare information systems industry.

CHAIRMAN'S STATEMENT (CONTINUED)

For the year ended 31 December 2023

(4) Acquisition of Jejak Semangat Sdn. Bhd. ("Jejak")

On 7 March 2024, the Group announced that M1 Malaysia entered into a Share Sale Agreement with MBP Solutions Sdn. Bhd., LMS Technology Distributions Sdn. Bhd., Dato' Hussian A Rahman and Derrick Chia Kah Wai to acquire 100% of the issued share capital of Jejak for a nominal cash consideration of RM4.00 (c. £0.70). The acquisition completed on 2 July 2024.

Jejak holds a license issued by the Malaysian Ministry of Communications and Multimedia to provide network services in Malaysia for a period until 23 April 2031. The license will complement M1 Malaysia's current business of providing mobile prepaid reload services.

The Group anticipates a challenging business environment and remains cautious about the outlook for the remainder of 2024, despite the reported expectations that the Malaysian economy will grow between 4.0% and 5.0%. This caution is due to rising inflation and increased expenses, including higher administrative, infrastructure, and marketing costs, among other related expenses. Consequently, the Group's gross profit margins for its products and services will continue to be affected as it strives to maintain or grow its business.

The expected completion of the Proposed Joint Venture with Super Apps and the Merger Exercise as disclosed above will significantly enhance the Group's financial position and future growth. Additionally, the implementation of Hati's potential projects in the foreseeable future is expected to benefit the Group through the share of any profit from this associated company. The Group will continue to invest in and enhance its research and development to support business and technological advancements and to form partnerships for future growth.

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Abu Bakar bin Mohd Taib
Chairman

Date: 19 August 2024



REPORT OF THE DIRECTORS

For the year ended 31 December 2023

The Directors are pleased to submit their report together with the financial statements of the Group and the Company for the year ended 31 December 2023.

PRINCIPAL ACTIVITY

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

KEY PERFORMANCE INDICATORS

	Year ended 31.12.2023 £	Year ended 31.12.2022 £
Revenue	241,673,952	233,761,671
Operating (loss)/profit	(1,050,815)	378,369
(Loss)/Profit before tax	(1,369,614)	278,978
Net (loss)/profit for the year	(1,408,132)	16,628

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. In particular, this includes technological changes, unfavourable changes in government and international policies (including licensing requirements), 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 Distributorship Agreements

The Group relies on various telecommunication companies to provide the telecommunication products. As a result, 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 CelcomDigi Berhad and Maxis Communication Berhad, which are subject to periodic renewal.

Dependency on business partners

As the revenue of the Group is substantially through the business partners' various channels, such as banking (i.e. mobile banking and internet banking) and e-wallet applications, the Group is dependent on its business partners which include several major banks in Malaysia. The Group is exposed to the risks that any of the business partners may cease the business relationship with the Group in the future and the Group's ability to grow may be materially and adversely affected.

REPORT OF THE DIRECTORS (CONTINUED)

For the year ended 31 December 2023

KEYS RISKS AND UNCERTAINTIES (Continued)

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

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

Demand of products and services

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

Financial risks

The Group is exposed to liquidity risk and interest rate risk arising principally from its borrowings. If the Group is unable to generate sufficient cashflow from its operations, it may affect the Group's ability to meet its financial obligations. In addition, any significant increase in interest rates may result in higher interest expense and this may affect the Group's cashflow for its operational working capital.

Please refer to Note 3 for further information.

REVIEW OF BUSINESS

The results for the year and financial position of the Group are as shown in the Chairman's statement.

RESULTS AND DIVIDENDS

The consolidated total comprehensive loss for the year ended 31 December 2023 was £1,950,236 (2022: total comprehensive profit of £370,950) which has been transferred to reserves. No dividends will be distributed for the year ended 31 December 2023.

DIRECTORS

The Directors are:

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



REPORT OF THE DIRECTORS (CONTINUED)

For the year ended 31 December 2023

The beneficial interests of the Directors holding office at 31 December 2023 in the ordinary shares of the Company, were as follows:

Ordinary shares of 2.5p each	Interest at 31.12.23	% of issued capital
Abu Bakar bin Mohd Taib	Nil	Nil
Dato' Hussian @ Rizal bin A. Rahman	53,465,724	50.30
Derrick Chia Kah Wai *	1,800,000	1.69
Seah Boon Chin	Nil	Nil
Azlinda Ezrina binti Ariffin	Nil	Nil

* The wife of Derrick Chia Kah Wai holds 1,943,000 ordinary shares in the Company, which is equivalent to 1.83% of the Company's issued capital.

The Directors also held the following ordinary shares under options:

Ordinary shares of 2.5p each	Interest at 31.12.23
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
Azlinda Ezrina binti Ariffin	Nil

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 is disclosed in Note 4.

SUBSTANTIAL SHAREHOLDERS

Based on the register of shareholders as of 2 August 2024, the Company had the following shareholders with interests in 3% or more of the issued share capital of the Company pursuant to Part VI of Article 110 of the Companies (Jersey) Law 1991:

Ordinary shares of 2.5p each	Number of ordinary shares	% of issued capital
Dato' Hussian @ Rizal bin A. Rahman	53,465,724	50.30
Estate of Dato' Shamsir bin Omar	9,131,677	8.59
Vidacos Nominees Limited <FGN>	6,656,540	6.26
Pershing Nominees Limited <PERNY>	5,216,958*	4.91
Lawshare Nominees Limited <SIPP>	4,439,011	4.18
HSDL Nominees Limited <MAXI>	3,226,569	3.04

* Including 1,800,000 ordinary shares and 1,943,000 ordinary shares in the company for Derrick Chia Kah Wai and his wife, respectively

PUBLICATION OF ACCOUNTS ON COMPANY WEBSITE

Financial statements are published on the Company's website, which can be found at www.mobilityone.com.my. The maintenance and integrity of the website is the responsibility of the Directors. The Directors' responsibility also extends to the financial statements contained therein.

REPORT OF THE DIRECTORS (CONTINUED)

For the year ended 31 December 2023

INDEMNITY OF OFFICERS

The Group does not have insurance cover against legal action brought against its Directors and officers.

GROUP'S POLICY ON PAYMENT OF CREDITORS

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

EMPLOYEE INVOLVEMENT

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

GOING CONCERN

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

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

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

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

- (a) RM40.0 million (c. £7.53 million) in cash within 14 days upon completion of the Merger Exercise; and
- (b) RM20.0 million (c. £3.76 million) in cash within 180 days upon completion of the Merger Exercise.

In addition, pursuant to the terms of the Proposed Joint Venture, M1 Malaysia undertook to provide the necessary technical and business support to 1Shop and guaranteed that 1Shop will achieve revenues of at least RM560.0 million in the financial year ending 31 December 2023 or any other period as mutually agreed ("**Revenue Target**"). In consideration of M1 Malaysia guaranteeing the Revenue Target, M1 Malaysia will be receiving the shares of TETE with aggregate value of RM20.0 million following 1Shop achieving the Revenue Target. In the event the Revenue Target is not met, M1 Malaysia will not receive the shares of TETE and will not be subject to any penalty.



REPORT OF THE DIRECTORS (CONTINUED)

For the year ended 31 December 2023

Tete Technologies Inc, a wholly-owned subsidiary of TETE, has since filed a draft proxy statement ("**TETE Proxy Filing**") with the SEC and the TETE Proxy Filing is subject to the approval by the SEC. The Company will release further announcements as and when appropriate.

It was announced by the Group on 18 June 2024 that the deadline to complete the Merger Exercise was extended from 20 July 2024 to 20 January 2025. There can be no guarantee that the payment for the consideration of the Disposal and the Proposed Joint Venture can be completed as they are conditional on the completion of the Merger Exercise, which is out of the Group's control. The payment for the consideration of the Disposal and the completion of the Proposed Joint Venture are expected to contribute positively to the financial position and future growth of the Group.

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

On 8 March 2024, the Second Tranche Payment Date was extended until 8 September 2024 ("**Extended Second Tranche Payment Date**"). However, any payment in relation to the Second Tranche made after the Second Tranche Payment Date will be subject to an interest charge of 10% per annum. The balance amount payable for the Second Tranche (including any interest charge) shall be reduced by RM1.0 million (c. £0.174 million) when the payment is made by the Extended Second Tranche Payment Date.

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 (IFRS) as adopted for use in the European Union. Under Company law the Directors must not approve the financial statements unless they are satisfied that they 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.

REPORT OF THE DIRECTORS (CONTINUED)

For the year ended 31 December 2023

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the requirements 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.

The Directors are responsible for the maintenance and the integrity of the corporate and financial information included on the Group's website. Information published on the website is accessible in many countries, and legislation in Jersey and the relevant provisions of the AIM Rules for Companies governing the preparation and dissemination of financial statements may differ from legislation and the rules in other jurisdictions. The Directors' responsibility also extends to the continued integrity of the financial statements contained therein.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Directors are aware, there is no relevant audit information of which the Company and 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 Company and Group's auditors are aware of that information.

AUDITORS

Gravita Audit Limited has indicated that it will seek re-appointment as the Company's auditor at the forthcoming Annual General Meeting. A resolution to re-appoint Gravita Audit Limited as the Company's auditor will be proposed at the Annual General Meeting.

ON BEHALF OF THE BOARD:

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

Date: 19 August 2024



BOARD OF DIRECTORS

Abu Bakar bin Mohd Taib

(Non-Executive Chairman)

Abu Bakar bin Mohd Taib, a Malaysian aged 71, has been the Non-Executive Chairman of the Company since 27 June 2014 and had 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 62, 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 also 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

(Deputy Chief Executive Officer)

Derrick Chia Kah Wai, a Malaysian aged 53, is the Deputy Chief Executive Officer of the Group. He began his career as a programmer in 1994, he then joined GHL Systems Berhad in January 1998 as a Software Engineer and was promoted to Software Development Manager in December 1999. He obtained his Bachelor Degree in Commerce, majoring in Management Information System from University of British Columbia, Canada. He joined the Group in May 2005 and is responsible for the Group's business operations.

Seah Boon Chin

(Non-Executive Director)

Seah Boon Chin, a Malaysian aged 52, began his career in 1995 with a financial institution in Malaysia and worked in the Corporate Finance Department of several established financial institutions in Malaysia and Singapore. He joined the Group in January 2007 and stepped down as the Corporate Finance Director on 15 November 2011 and remains as a Non-Executive Director of the Company. He is currently the Head of Corporate Finance with TA Securities Holdings Berhad in Malaysia. He obtained his Bachelor Degree in Commerce (Honours) with Distinction from McMaster University, Canada.

Azlinda Ezrina binti Ariffin

(Non-Executive Director)

Azlinda Ezrina binti Ariffin, British by background and aged 55, is an experienced UK-based corporate lawyer with over 25 years legal experience. She is currently a consulting partner in the corporate team at Withersworldwide and was previously a partner in the capital markets teams at both Olswang LLP and Fasken Martineau LLP, prior to joining Withersworldwide in 2016. Azlinda specialises in mergers and acquisitions and equity capital markets transactions. Azlinda is a member of both the Law Society of England & Wales and the Malaysian Bar. She is also a barrister and member of Gray's Inn.

CORPORATE GOVERNANCE REPORT

The Directors recognise the importance of good corporate governance and have adopted the Quoted Companies Alliance (“QCA”) Corporate Governance Code, 2018 (“QCA Code”) in line with the AIM Rules for Companies (“AIM Rules”) requirements that all AIM quoted companies adopt and comply with a recognised corporate governance code. The Directors consider that the Company complies with the QCA Code so far as is practicable. The QCA has launched an updated version of its corporate governance code, 2023 (“2023 QCA Code”) which applies to the financial year after 1 April 2024. While the Directors have not adopted the 2023 QCA Code, they will do so for the financial year after 1 April 2024.

The QCA Code identifies 10 principles that focus on the pursuit of medium to long term value for shareholders. The following report sets out in broad terms how the Company currently complies with the QCA Code.

1. Establish a strategy and business model which promote long-term value for shareholders

The Group’s strategy and business model are developed by the Chief Executive Officer (“CEO”) and approved by the Board, whenever required. The management team, led by the CEO, is responsible for implementing the strategy.

Over the years, the Group has developed its core competencies in providing a bridge between the service providers to their end consumers using the Group’s technology to accept transactions via multiple channels either via mobile phones, Internet, electronic data capture terminals and even via banking channels like Internet banking portal, automated teller machines (ATM) and mobile banking.

Even though the e-payment business in Malaysia, particularly prepaid airtime reload and bill payment business, is contributing substantially to the Group’s revenue, the Group continues to explore other business opportunities in Malaysia and other countries to enhance its product offering for future growth.

The key risks and uncertainties to the business model and strategy are detailed in the Report of the Directors of the Company’s Accounts for the year ended 31 December 2023.

2. Seek to understand and meet shareholder needs and expectations

The Company encourages two-way communication with its shareholders to understand their needs and expectations.

The Board recognises the annual general meeting (“AGM”) as an important opportunity to meet shareholders. The AGM is the main forum for dialogue with shareholders and all members of the Board attend the AGM and are available to answer questions raised by shareholders and to listen to views of shareholders.

It should be noted that the CEO holds 50.3% of the Company’s share capital and talks to some of the Company’s non-board shareholders to understand their needs and expectations.

In the future should voting decisions not be in line with the Company’s expectations, the Board would endeavour to engage with those shareholders to understand and address any issues.

Contact details are provided on the contacts page of the Company’s website and within public documents should shareholders wish to communicate with the Company.



CORPORATE GOVERNANCE REPORT (CONTINUED)

3. Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Group is aware of its corporate social responsibilities and the need to maintain good relationships across a range of stakeholder groups, including employees, business partners, suppliers, customers and regulatory authorities.

The Group's operations and working environment take into account the needs of all stakeholder groups while maintaining focus on the responsibility to promote the success of the Group. The Group encourages feedback from all stakeholder groups as the Group's long term strategy is to create shareholder value.

The Group places considerable value on the involvement of employees and continues to keep them informed on matters affecting the Group through formal and informal meetings which provide opportunities to received feedback on issues affecting the Group.

The Group's activities are reliant on maintaining good relationships with a number of banking partners in Malaysia. In addition the Group's remittance business requires certain licences from the Central Bank of Malaysia and the CEO maintains a good flow of communication with the Central Bank of Malaysia to ensure the Group's activities continue to operate under the correct regulatory framework.

4. Embed effective risk management, considering both opportunities and threats, throughout the organisation

The principal risks and uncertainties affecting the business are set in the Report of the Directors of the Company's Accounts for the year ended 31 December 2023.

The Board monitors these risks, which include technological, regulatory and commercial risks, on a regular basis and the risks are considered by the Group during Board meetings. The Executive Directors and senior management team meet regularly during the year to review and evaluate risks and opportunities. The senior management meets regularly to review ongoing trading performance and any new risks associated with ongoing trading.

Risk identification can come from several sources: employees or other stakeholder feedback; executive meetings; and decisions taken at Audit Committee and Board meetings.

5. Maintain the board as a well-functioning, balanced team led by the chair

The Board comprises two Executive Directors and three Non-Executive Directors. All of the Non-Executive Directors are members of the audit, remuneration and nomination committees and have the necessary skills and knowledge to discharge their duties and responsibilities.

The Non-executive Chairman is responsible for the running of the Board and the CEO has main executive responsibility for running the Group's business and implementing the Group's strategy.

Both the Chairman and Azlinda Ezrina binti Ariffin are considered by the Board to be independent. Seah Boon Chin is not deemed to be independent due to having previously been an executive board member and his length of tenure. Notwithstanding this, the Board considers that Seah Boon Chin brings an independent judgement to bear notwithstanding the aforementioned considerations.

The Directors receive regular updates on the Group's operational and financial performance during Board meetings and they have committed sufficient time to fulfill their responsibilities.

CORPORATE GOVERNANCE REPORT (CONTINUED)

5. *Maintain the board as a well- functioning, balanced team led by the chair (continued)*

The Company believes it has effective procedures in place to monitor and deal with conflicts of interest. In particular the Board is aware of the other time commitments and interests of the CEO. Significant changes to these commitments and interests are reported to and, where appropriate, agreed with the rest of the Board.

In addition to the numerous written Board resolutions approved by the Board which have the same force and effect as if adopted at duly convened meetings of all the Directors, the Company had six Board meetings in 2023 which were attended by all the Directors in office at the time of each board meeting.

6. *Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities*

The Directors' biographies are set out in the section "Board of Directors" of the Company's Accounts for the year ended 31 December 2023.

The Board is satisfied that between the Directors, they have sufficient skills, experience and capabilities to enable the strategy of the Company to be delivered.

The Nomination Committee will make recommendations to the Board on all new Board appointments. Where new Board appointments are considered the search for candidates is conducted, and appointments are made, on merit, against objective criteria.

The Board, if required, will review the composition of the Board to ensure that it has the necessary diversity of skills to support the ongoing development of the Group. Gender diversity is not in the Company's immediate plans.

All Directors retire by rotation at regular intervals (every 3 years) in accordance with the Company's Articles of Association.

The Directors attend courses and seminars to keep their skill set up to date.

7. *Evaluate board performance based on clear and relevant objectives, seeking continuous improvement*

The Directors undergo a performance evaluation before being proposed for re-election to ensure that they continue to be effective and committed to the role. All Directors meet to discuss the performance evaluation together.

Appraisals are carried out each year with all Executive Directors.

The Board considers that the size of the Company does not justify the use of third parties to evaluate the performance of the Board on an annual basis.

All Directors retire by rotation at regular intervals (every 3 years) and stand for re-election at the AGM. During the year the Non-executive Directors are responsible for informally reviewing Directors' performance and highlighting any issues identified.

At the present time, succession planning is not in the Company's immediate plans, however the Board will monitor the need to implement an informal or formal succession plan going forward.



CORPORATE GOVERNANCE REPORT (CONTINUED)

8. Promote a corporate culture that is based on ethical values and behaviours

The Group maintains a high standard of integrity in the conduct of its operations and is committed to providing a safe and healthy working environment for its employees. The Group operates a corporate culture that is based on ethical values and behaviours.

In addition, the Group encourages an open culture, with regular discussions with employees regarding their performance and skills development to achieve the objectives and strategy of the Group.

Any recommendations from staff to improve the working environment or in respect of health and safety matters will be assessed by the Human Resources and Administration Manager and, as appropriate, proposed to the Board for necessary actions to be taken.

Given the size of the Group, all practices undertaken by the Group are reviewed by the Executive Directors to ensure that the ethical values and behaviours are being adhered to.

9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the board

The Board has overall responsibility for promoting the success of the Group. The Executive Directors have day-to-day responsibility for the operational management of the Group's activities. The Non-executive Directors are responsible for bringing independent and objective judgement to Board decisions.

There is a clear separation of the roles of CEO and Non-executive Chairman. The Chairman is responsible for overseeing the running of the Board, ensuring that no individual or group dominates the Board's decision-making and ensuring the Non-executive Directors are properly briefed on matters. The Chairman has overall responsibility for corporate governance matters in the Group. The CEO has the responsibility for implementing the strategy of the Board and managing the day-to-day business activities of the Group.

The Board has established the following committees: Audit Committee, Remuneration Committee and Nomination Committee. The members of the three committees are all the three Non-executive Directors. Abu Bakar bin Mohd Taib chairs the Audit Committee, Remuneration Committee and Nomination Committee.

The Audit Committee normally meets at least once a year and has responsibility for, amongst other things, planning and reviewing the annual report and accounts and interim statements. It is also responsible for ensuring that an effective system of internal control is maintained. The ultimate responsibility for reviewing and approving the annual financial statements and interim statements remains with the Board.

The Remuneration Committee meets at least once a year and has responsibility for making recommendations to the Board on matter such as the remuneration packages for each of the Directors.

The Nomination Committee, which meets as required, has responsibility for reviewing the size and composition of the Board, the appointment of replacement or additional Directors and making appropriate recommendations to the Board. The Nominations Committee did not meet in the year.

The Directors consider that the Group has an appropriate governance framework for its size now and as it grows but they will consider the evolution of this framework on an annual basis.

CORPORATE GOVERNANCE REPORT (CONTINUED)

9. *Maintain governance structures and processes that are fit for purpose and support good decision-making by the board (continued)*

The Board does not maintain a formal schedule of matters reserved for Board decision but matters such as financial results, Board appointments and acquisitions require approval at Company's Board meetings or written Board resolutions approved by the Board which have the same force and effect as if adopted at duly convened meetings of all the Directors. In 2023, the Company held six Board meetings.

Board and committee meetings

Attendances of Directors at Board and committee meetings convened in 2023 are set out below:

Director	Board Meetings Attended	Audit Committee Meeting Attended	Remuneration Committee Meeting Attended
Number of meetings in year	6	2	2
Abu Bakar bin Mohd Taib	6	2	2
Dato' Hussian @ Rizal bin A. Rahman	6	N/A	N/A
Derrick Chia Kah Wai	6	N/A	N/A
Seah Boon Chin	6	2	2
Azlinda Ezrina Binti Ariffin	6	2	2

10. *Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.*

The Company encourages two-way communication with various stakeholder groups, including shareholders and responds quickly to their relevant queries.

The Directors recognise the AGM as an important opportunity to meet shareholders and the Directors are available to answer questions raised by the shareholders.

The Company's website is regularly updated to include business progress, financial performance and corporate actions reflecting information that has already been announced by the Company through regulatory announcements.

The Company will announce and post on its website the results of voting on all resolutions in the general meetings (including annual general meetings) including any actions to be taken as a result of resolutions for which votes against have been received from at least 20 per cent. of independent shareholders.

Under AIM Rule 26, the Company already publishes historical annual reports, notices of meetings and other publications over the last five years which can be found here: <http://www.mobilityone.com.my/v4/annual-reports.html>

The Company has not published an audit committee or remuneration committee report in its annual report and accounts. The Board feels that this is appropriate given the size and stage of development of the Group. The Board will consider annually whether it considers it appropriate for these reports to be included in future annual report and accounts.



REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF MOBILITYONE LIMITED

OPINION

We have audited the financial statements of MobilityOne Limited (**'the Company'**) and its subsidiaries (together **'the Group'**), which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Cash Flows, the Company Statement of Cash Flows and the Notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the Company financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2023 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union;
- the Company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the requirements and provisions of Companies (Jersey) Law 1991; and
- the financial statements have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OUR APPROACH TO THE AUDIT

We tailored the scope of our audit work to ensure we obtained sufficient evidence to support our opinion on the financial statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls and the industry in which the Group operates.

As Group auditor we carried out the audit of the Company financial statements and, in accordance with ISA (UK) 600, obtained sufficient appropriate evidence regarding the audit of the Group's significant components.

The Group financial statements consolidate the Company and eleven subsidiaries. The subsidiaries are legal entities incorporated in Malaysia, Brunei and the Philippines. The Group financial statements also equity account for an associate, Sincere Acres Sdn Bhd, a company registered in Malaysia. The associate represents a subgroup of the associate and its four subsidiaries.

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

OUR APPROACH TO THE AUDIT (Continued)

We determined MobilityOne Sdn Bhd, One Tranzact Sdn Bhd, OneTransfer Remittance Sdn Bhd and Sincere Acres Sdn Bhd to be significant components due to their relative contribution to the results and balances reported in the Group financial statements. The Group engagement team directed, supervised and reviewed the work of the component auditors in Malaysia who performed a full scope audit of the significant components. This involved issuing detailed instructions, holding video calls and performing a review of audit working papers. The scope of audit work in respect of Sincere Acres Bhd Sdn, the Group's associate, included testing of that component's statement of financial position as at the date that the Group gained significant influence.

Collectively, the significant components represent over 99% of Group revenue and over 99% of Group assets.

Audit work on the significant components was performed at component materiality levels ranging from £22,000 to £90,000, lower than Group materiality (2022: £5,000 to £130,000). Certain components were audited to a local statutory audit materiality that was lower than component materiality.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement.



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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

Key audit matter	How our audit addressed the key audit matter
<p>Revenue recognition</p> <p>The Group recorded significant revenue from the sale of prepaid mobile credit, representing over 99% of consolidated revenue. Total revenue recognised in the year was £241.7m (2022: £233.8m).</p> <p>In light of the significance of revenue to the Group financial statements, we considered revenue recognition to be a Key Audit Matter.</p>	<p>Our audit work included:</p> <ul style="list-style-type: none"> - Gaining an understanding of the control environment in which revenue accounting is undertaken; - Performing a walkthrough of key controls associated with revenue accounting; - Obtaining and reviewing management’s revenue recognition policy by reference to IFRS 15; - Challenging management on their determination of whether the Group acts as principal or agent in the sale of prepaid mobile credit; - Reviewing the work of an auditor’s expert in respect of the General IT Control environment; - Performing a significant sample of substantive tests of revenue; - Reviewing revenue recognition by reference to the performance obligations in the underlying revenue contracts. <p>We concluded that revenue recognition is satisfactory and in line with the Group’s accounting policy.</p>

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

KEY AUDIT MATTERS (Continued)

Key audit matter	How our audit addressed the key audit matter
<p>Investment in associate</p> <p>On 4 October 2023, the Group acquired a 49% interest in Sincere Acres Sdn Bhd, the parent company of a Malaysian group of companies involved in medical technologies including HATI International Sdn Bhd, for total consideration of £5.1m.</p> <p>Management determined that the facts and circumstances of the resulting relationship represented significant influence and not control. The investment is therefore equity accounted as an associate in line with IAS 28.</p> <p>As a result, the Group recognised a share of loss of associate of £0.1m in the year in respect of the period from 4 October 2023 to 31 December 2023. In light of the reported loss, management performed an impairment assessment and determined that no impairment was required in light of the projected cash flows within the Sincere Acres group.</p> <p>Given the significance of both the investment in the consolidated statement of financial position and the potential impact of various judgements associated with the investment, we determined the Group's investment in Sincere Acres to be a Key Audit Matter.</p>	<p>Our audit work included:</p> <ul style="list-style-type: none"> - Obtaining and reviewing the underlying share purchase agreement to understand the effective date of the acquisition and the key terms and conditions; - Challenging management on their assessment of factors which might indicate that the Group has control over the investee; - Checking the appropriateness of the accounting treatment of deferred consideration by reference to the acquisition agreement; - Discussion with the management of MobilityOne and Sincere Acres to understand the commercial rationale for the investment and the future plans of the Sincere Acres group; - Challenging management on their interpretation of the nature of the excess consideration over net assets at purchase date; - Reviewing the basis on which management determined that no impairment of its net investment in the associate was required; - Examining the suitability of disclosures associated with the investment in associate. <p>We determined that the investment in associate is fairly stated in line with the Group's accounting policy.</p>



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

OUR APPLICATION OF MATERIALITY

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgment, we determined materiality for the financial statements as a whole as follows:

	GROUP	COMPANY
Overall materiality	£130,000 (2022: £191,000)	£40,000 (2022: £9,000)
How we determined it	1.2% of gross profit (2022: 1.5% of gross profit)	2% of gross assets (2022: 5% of profit before tax)
Rationale for benchmark applied	We believe that gross profit is a principal measure used by the members in assessing the trading performance of the Group and is therefore the appropriate benchmark.	As a holding company with no trade and one material asset, being an investment in subsidiary, we determined that gross assets were the most appropriate benchmark against which to determine materiality. This is a change from the prior period when 5% of profit before tax was used. We consider the change in approach better represents the financial reporting risks of the entity.

We set performance materiality at an amount less than materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceed materiality for the financial statement as a whole. Performance materiality was set at £91,000 and £28,000 for the Group and Company respectively (2022: £143,250 and £6,750).

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £6,500 (2022: £10,000) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statement is appropriate.

Our evaluation of the Directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included, as part of our risk assessment, review of the nature of the business of the Group and Company, its business model, the requirements of the applicable financial reporting framework and the system of internal control. We evaluated the Directors' assessment of the Group's and the Company's ability to continue as a going concern, including challenging the underlying data and key assumptions used to make the assessment, and evaluated the directors' plans for future actions in relation to their going concern assessment. We challenged management on the potential cash flow forecasts in scenarios in which the TETE Merger occurs during the review period and also where it does not.



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

CONCLUSIONS RELATING TO GOING CONCERN (Continued)

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. However, because not all future events or conditions can be predicted this statement is not a guarantee as to the Group's or Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION BY THE COMPANIES (JERSEY) LAW 1991

In the light of the knowledge and understanding of the Group and Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies (Jersey) Law 1991 Article 113B (3) requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- we have not received all the information and explanations we require for our audit; or
- the Group and Company financial statements are not in agreement with the accounting records and returns.

RESPONSIBILITIES OF DIRECTORS FOR THE GROUP FINANCIAL STATEMENTS

As explained more fully in the directors' responsibilities statement, the Directors are responsible for the preparation and fair presentation of the Group financial statements in accordance with IFRS, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



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

RESPONSIBILITIES OF DIRECTORS FOR THE GROUP FINANCIAL STATEMENTS (Continued)

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

THE EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES INCLUDING FRAUD

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the group through discussions with directors and other management.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Group and Company, including company law and taxation legislation in Malaysia.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit; and
- we assessed the susceptibility of the Group financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
 - o making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
 - o considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

TO ADDRESS THE RISK OF FRAUD THROUGH MANAGEMENT BIAS AND OVERRIDE OF CONTROLS, WE:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the Group financial statements were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions; and
- in response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
 - o agreeing financial statement disclosures to underlying supporting documentation;
 - o reading the minutes of meetings of those charged with governance;
 - o enquiring of management as to actual and potential litigation and claims; and
 - o reviewing correspondence with local tax authorities and the Group's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed laws and regulations are from financial transactions, the less likely it is that we would become aware of noncompliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

USE OF THIS REPORT

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 auditor's 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.

Joseph Brewer

For and on behalf of Gravita Audit Limited (Statutory Auditor)

Aldgate Tower
2 Leman Street
London
EC1 8FA

Date: 19 August 2024



CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2023

	Note	2023 £	2022 £
Revenue	5	241,673,952	233,761,671
Cost of sales		(229,742,340)	(221,010,827)
GROSS PROFIT		11,931,612	12,750,844
Other operating income		136,872	145,674
Administration expenses		(12,547,017)	(11,940,311)
Other operating expenses		(220,895)	(304,196)
Net loss on financial instruments	15	(351,387)	(273,642)
OPERATING (LOSS)/PROFIT		(1,050,815)	378,369
Finance income		41,033	37,752
Finance costs	6	(236,058)	(137,143)
Share of post-tax loss of equity accounted associates	16	(123,774)	-
(LOSS)/PROFIT BEFORE TAX	7	(1,369,614)	278,978
Tax	8	(38,518)	(262,350)
(LOSS)/PROFIT FROM CONTINUING OPERATIONS		(1,408,132)	16,628
(LOSS)/PROFIT		(1,408,132)	16,628
Attributable to:			
Owners of the parent		(1,408,482)	23,857
Non-controlling interests		350	(7,229)
		(1,408,132)	16,628
(LOSS)/PROFIT PER SHARE			
Basic earnings per share (pence)	10	(1.325)	0.022
Diluted earnings per share (pence)	10	(1.325)	0.021

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2023

	2023 £	2022 £
(LOSS)/PROFIT FOR THE YEAR	(1,408,132)	16,628
OTHER COMPREHENSIVE (LOSS)/PROFIT		
<i>Items that are or may be reclassified subsequently to profit or loss</i>		
Foreign currency translation	(542,104)	354,322
TOTAL COMPREHENSIVE (LOSS)/PROFIT	(1,950,236)	370,950
Total comprehensive (loss)/profit attributable to:		
Owners of the parent	(1,952,013)	378,832
Non-controlling interests	1,777	(7,882)
	(1,950,236)	370,950



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

	Attributable to Owners of the Parent							Total Equity £
	Non-Distributable				Distributable		Non- Controlling Interests £	
	Share Capital £	Share Premium £	Reverse Acquisition Reserve £	Foreign Currency Translation Reserve £	Accum. Losses £	Total £		
As at 1 January 2023	2,657,470	909,472	708,951	1,047,682	(93,766)	5,229,809	(15,111)	5,214,698
Comprehensive profit								
Profit for the year	-	-	-	-	(1,408,482)	(1,408,482)	350	(1,408,132)
Foreign currency translation	-	-	-	(543,531)	-	(543,531)	1,427	(542,104)
Total comprehensive profit for the year	-	-	-	(543,531)	(1,408,482)	(1,952,013)	1,777	(1,950,236)
At 31 December 2023	2,657,470	909,472	708,951	504,151	(1,502,248)	3,277,796	(13,334)	3,264,462



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the year ended 31 December 2023

	Attributable to Owners of the Parent							Non-Controlling Interests £	Total Equity £
	Non-Distributable				Distributable		Total £		
	Share Capital £	Share Premium £	Reverse Acquisition Reserve £	Foreign Currency Translation Reserve £	Accum. Losses £				
At 1 January 2022	2,657,470	909,472	708,951	692,707	(117,623)	4,850,977	(7,229)	4,843,748	
Comprehensive profit									
Profit for the year	-	-	-	-	23,857	23,857	(7,229)	16,628	
Foreign currency translation	-	-	-	354,975	-	354,975	(653)	354,322	
Total comprehensive profit for the year	-	-	-	354,975	23,857	378,832	(7,882)	370,950	
At 31 December 2022	2,657,470	909,472	708,951	1,047,682	(93,766)	5,229,809	(15,111)	5,214,698	

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.

Accumulated losses represent the cumulative earnings of the Group attributable to equity shareholders.

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



COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

		Non-Distributable		
	Share Capital £	Share Premium £	Accumulated Losses £	Total £
As at 1 January 2023	2,657,470	909,472	(2,211,245)	1,355,697
Loss for the year	-	-	(274,674)	-
At 31 December 2023	2,657,470	909,472	(2,485,919)	1,081,023
As at 1 January 2022	2,657,470	909,472	(2,033,120)	1,533,822
Loss for the year	-	-	(178,125)	(178,125)
At 31 December 2022	2,657,470	909,472	(2,211,245)	1,355,697

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the year ended 31 December 2023

	Note	2023 £	Restated 2022 £
ASSETS			
Non-current assets			
Intangible assets	11	567,823	214,180
Property, plant and equipment	12	544,033	839,069
Investment property	13	250,102	283,125
Right-of-use assets	14	154,755	182,935
Trade and other receivables	15	258,428	228,050
Investment in associate	16	5,010,284	-
Other investment		11,116	12,281
		6,796,541	1,759,640
Current assets			
Inventories	17	1,912,675	3,189,901
Trade and other receivables	15	2,688,902	2,179,785
Other financial assets	18	600,694	652,206
Tax recoverable		163,452	183,321
Cash and cash equivalents	19	3,536,135	4,362,966
		8,901,858	10,568,179
TOTAL ASSETS		15,698,399	12,327,819
SHAREHOLDERS' EQUITY			
Equity attributable to owners of the parent:			
Called up share capital	20	2,657,470	2,657,470
Share premium	21	909,472	909,472
Reverse acquisition reserve	22	708,951	708,951
Foreign currency translation reserve	23	504,151	1,047,682
Accumulated losses	24	(1,502,248)	(93,766)
Shareholders' equity		3,277,796	5,229,809
Non-controlling interests		(13,334)	(15,111)
TOTAL EQUITY		3,264,462	5,214,698

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

For the year ended 31 December 2023

	Note	2023 £	2022 £
LIABILITIES			
Non-current liability			
Loans and borrowings – secured	25	189,428	221,697
Lease liabilities	14	101,465	98,450
Deferred tax liabilities		46,066	15,484
		336,959	335,631
Current liabilities			
Trade and other payables	26	3,169,711	2,947,056
Deferred consideration due	16	4,788,453	-
Amount due to Directors	27	35,300	66,855
Loans and borrowings - secured	25	4,036,396	3,647,482
Lease liabilities	14	65,372	105,316
Tax payables		1,746	10,781
		12,096,978	6,777,490
Total liabilities		12,433,937	7,113,121
TOTAL EQUITY AND LIABILITIES		15,698,399	12,327,819

The financial statements were approved and authorised by the Board of Directors on 19 August 2024 and were signed on its behalf by:

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

COMPANY STATEMENT OF FINANCIAL POSITION

For the year ended 31 December 2023

	Note	2023 £	2022 £
ASSETS			
Non-current asset			
Investment in subsidiary companies	28	1,976,339	1,976,339
Current assets			
Amount owing from subsidiary companies		1,735	55,638
Cash and cash equivalents	19	9,930	11,264
		11,665	66,902
TOTAL ASSETS		1,988,004	2,043,241
SHAREHOLDERS' EQUITY			
Equity attributable to owners of the parent:			
Called up share capital	20	2,657,470	2,657,470
Share premium	21	909,472	909,472
Accumulated losses	24	(2,485,919)	(2,211,245)
TOTAL EQUITY		1,081,023	1,355,697
Current liabilities			
Trade and other payables	26	995	10,658
Amount due to subsidiary companies	26	870,686	612,703
Amount due to Directors	27	35,300	64,183
TOTAL LIABILITIES		906,981	687,544
TOTAL EQUITY AND LIABILITIES		1,988,004	2,043,241

The financial statements were approved and authorised by the Board of Directors on 19 August 2024 and were signed on its behalf by:

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



CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	Note	2023 £	Restated 2022 £
Cash flow from operating activities			
Cash flow from operations	29	213,934	(614,763)
Interest received		39,435	35,933
Tax paid		(168,251)	(421,991)
Tax refund		157,324	5,532
Net cash from/(used in) operating activities		242,442	(995,289)
Cash flow from investing activities			
Purchase of property, plant and equipment	12	(47,092)	(390,056)
Purchase of intangible assets		(373,965)	-
Addition in other investment		-	(12,281)
Addition to investments in associate		(342,032)	-
Proceeds from disposal of property, plant and equipment		2,018	8,465
Net cash used in investing activities		(761,071)	(393,872)
Cash flows from financing activities			
Interest paid		(236,058)	(137,143)
Net change of banker acceptance	25	389,297	1,562,937
Net change in other financial assts pledged		51,512	(652,206)
Repayment of lease liabilities	14	(96,503)	(111,144)
Repayment of term loan		(11,617)	(9,615)
Net cash from financing activities		96,631	652,829
(Decrease) in cash and cash equivalents		(421,998)	(736,332)
Effect of foreign exchange rate changes		(404,833)	433,774
Cash and cash equivalents at beginning of year		4,362,966	4,665,524
Cash and cash equivalents at end of year	19	3,536,135	4,362,966

The notes form part of these financial statements

COMPANY STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	Note	2023 £	2022 £
Cash flow from operating activities			
Cash depleted in operations	29	(1,334)	16
Cash flow from investing activities			
Advances to a subsidiary company, representing net cash from investing activities		-	-
Cash flow from financing activity			
Advances from a subsidiary company, representing net cash from financing activity		-	-
Increase in cash and cash equivalents		(1,334)	16
Cash and cash equivalents at beginning of year		11,264	11,248
Cash and cash equivalents at end of year	19	9,930	11,264



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

1. GENERAL INFORMATION

The principal activity of the Company is investment holding. The principal activities of the subsidiary companies are set out in Note 28 to the financial statements. There were no significant changes in the nature of these activities during the year.

The Company is incorporated in Jersey, the Channel Islands under the Companies (Jersey) Law 1991. The registered office is located at 13 Castle Street, St Helier, Jersey JE1 1ES, Channel Islands. The consolidated financial statements for the year ended 31 December 2023 comprise the results of the Company and its subsidiary companies. The Company's ordinary 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.

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 2. 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

For the year ended 31 December 2023

2. ACCOUNTING POLICIES (Continued)

Going Concern (continued)

The Group reported a loss after tax for the year of £1,408,132 (2022: profit after tax of £16,628). Additionally, the Group's current liabilities of £12,096,879 exceed current assets of £8,901,858 by £3,195,021. Therefore, the Directors have carefully considered the impact of these metrics on the ability of the Group and Company to continue as a going concern and hence whether it remains appropriate for the financial statements to be prepared on a going concern basis.

Whilst the Group reported a loss after tax, the Board notes that this loss reflects a number of significant non-cash items. The Board notes that the consolidated cash flow statement illustrates that the Group's operating activities generated net cash of £242,442 in the year and that the cash depletion seen during the year arose from investing activities, specifically the Group's initial investment in Sincere Acres and its investment in new technology represented by the development assets held at year end. The Board carefully reviewed cash balances and projected cash requirements before undertaking these investing activities since the return from investment activities is likely to arise over a period of years. The Board is satisfied that appropriate monitoring was applied to liquidity rise where performing an assessment of the economic and financial viability of a potential investment project.

In assessing the impact of the net current liability position, the Board notes that this arises solely from the contractual arrangements entered into as part of the acquisition of the Group's 49% interest in Sincere Acres. Under that agreement, RM28 million (£4.8 million) remained payable as at 31 December 2023 in line with the terms of the acquisition. In the event the outstanding consideration is not settled in cash, the Group intends to surrender its 49% equity interest in Sincere Acres back to the vendor. As such, the Board considers that in the event that insufficient funds are available to settle the deferred consideration, the consideration will not be settled. The Group's investment in Sincere Acres is not yet cash generative and so the relinquishment of this asset would not impact the Group wider prospects of conducting cash generative activity.

The Board has considered alternative going concern scenarios in order to ensure a robust assessment is made. In the base case scenario, which the Board considers is the most likely scenario, the TETE Merger described in detail in Note 34, will proceed in the near term. Under the terms of the Merger Exercise, the Group would receive RM40 million (£6.8 million) within 14 days of the completion date and a further RM20 million (£3.4 million) within 180 days. Therefore, in the base case scenario, the Group will generate free cash to settle the Sincere Acres consideration plus additional cash to utilise in new projects and investment.

The Directors have also had regard to an alternative scenario in which the TETE Merger exercise is delayed or does not complete in line with the Board's expectation. Cash flow projections have been prepared in this downside scenario to model the ability of the Group to continue to meet its obligations as they fall due, including in a case whereby sales of prepay mobile credit fall below expectations and other revenues generated by the Group do not grow as expected. The Board has modelled a prudent scenario in which the achievable gross margin is assumed to fall. It is noted that the Group incurs a material proportion of costs which are directly related to the levels of revenue generated such as the purchase of inventory and commissions associated with the level of activity on the Group's or its partners' platforms. Further, the Group has limited committed spend, unutilised headroom in the facilities provided by its banking partners and a continuing undertaking of support from its CEO. The Board further notes that whilst the Group has been supported by short term debt products in recent years, the option of an issue of shares on AIM is available, albeit the Board has no current plan to seek a placing.

As noted in this Annual Report, a review has also been performed in respect of the wider prospects of the Group in light of developments in the wider Malaysian economy and note encouraging trends in economic growth, the digitisation of economic activity and continuing growth in the value of economic activity in the payments space in Malaysia and the wider region.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

2. ACCOUNTING POLICIES (Continued)

Going Concern (continued)

In light of the review performed and consideration of all factors, the Board has concluded that it is appropriate to continue to present the financial statements on a going concern basis and, that whilst the future is inherently uncertain, the uncertainties associated with this assessment are sufficiently mitigated through the initiatives and options available to the Board.

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) Significant influence over Sincere Acres Sdn. Bhd.

Note 16 describes Sincere Acres Sdn. Bhd. which is an associate of the Group. The Group has significant influence over Sincere Acres Sdn. Bhd. by virtue of its 49% ownership interest in Sincere Acres Sdn. Bhd. Management considers that there are no commercial, practical or legal factors which would be indicative of the ability to control Sincere Acres. The Group's 49% equity interest confers no enhanced rights above other shareholders and the Group has no ability to direct the day to day operations of Sincere Acres.

(ii) Impairment of investment in associate

The Group and the Company review its investment in associate when there are indicators of impairment. Impairment is measured by comparing the carrying amount of an investment with its recoverable amount. Significant judgement is required in determining the recoverable amount. Estimating the recoverable amount requires the Group and the Company to make an estimate of the expected future cash flows from the cash-generating units and also to determine a suitable discount rate in order to calculate the present value of those cash flows.

The associate reported a loss in the reporting period which was considered an impairment indicator and so an impairment review was performed. This involved an assessment of the associate's proven ability to win contracts in the past, the extent and position of potential projects, a review of the potential market for Hati's medtech products and the commercial prospects of the business. In light of these factors it was determined that no impairment was required.

(iii) 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 2023 are disclosed in Note 12 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

2. ACCOUNTING POLICIES (Continued)

Estimation uncertainty and critical judgements (continued)

(iv) Amortisation of intangible assets

Software is amortised over its estimated useful life. Management estimated the useful life of this asset to be 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 2023 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.

(v) 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.

The relevant cash generating unit's cash flow projections include estimates of future 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 terminal value being factored. At the period end, based on these assumptions, there was indication of impairment of the value of goodwill.

The carrying amount of the Group's goodwill on consolidation as at 31 December 2023 is disclosed in the Note 11 to the financial statements.

(vi) 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, macroeconomic factors.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

2. ACCOUNTING POLICIES (Continued)

Estimation uncertainty and critical judgements (continued)

(vii) Revenue Recognition – Principal versus Agent considerations

The Company recognises revenue from contracts with customers when control of the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company acts as a principal in transactions where it is primarily responsible for fulfilling the promise to provide goods or services to the customer. This determination is primarily based on the inventory risk borne by the Group, as it holds and manages the inventory before the transfer of control to the customer.

Revenue is recognized at the gross amount of consideration received or receivable from customers for whom we are acting as a principal, net of any sales taxes, duties, and rebates. The Company evaluates its role as principal or agent in each transaction and applies judgment based on the specific facts and circumstances of each contract.

(viii) Inventories valuation

Inventories are measured at the lower of cost and net realisable value. The Company estimates the net realisable value of inventories based on an assessment of expected sales prices. Demand levels and pricing competition could change from time to time. If such factors result in an adverse effect on the Group's products, the Group might be required to reduce the value of its inventories. Details of inventories are disclosed in Note 17 to the financial statements.

(ix) Income taxes

Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Company recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. As at 31 December 2023, the Group has tax recoverable of £163,452 (2022: £183,321).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

2. ACCOUNTING POLICIES (Continued)

IFRS AND IAS UPDATE FOR 31 DECEMBER 2023 ACCOUNTS

The impact of new IFRSs adopted during the year

During the current year, the Group adopted all new and revised standards and interpretations issued by the International Accounting Standards Board and the International Financial Reporting Interpretations Committee and that are endorsed by the EU that are effective for annual accounting periods beginning on 1 January 2023. None of them had a material impact on the group financial statements.

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)

The amendments to IAS 1 require companies to disclose their material accounting policy information rather than their significant accounting policies. The amendments to IFRS Practice Statement 2 provide guidance on how to apply the concept of materiality to accounting policy disclosures.

- Definition of Accounting Estimates (Amendments to IAS 8)

The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events.

- Deferred Tax Relating to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)

IAS 12 specifies how a company accounts for income tax, including deferred tax, which represents tax payable or recoverable in the future. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The amendments clarify that the exemption does not apply and that companies are required to recognise deferred tax on such transactions.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

2. ACCOUNTING POLICIES (Continued)

IFRS AND IAS UPDATE FOR 31 DECEMBER 2023 ACCOUNTS

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 IFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to IAS 1	Non-current Liabilities with Covenants	1 January 2024
Amendments to IAS 7 and IFRS 17	Supplier Finance Arrangements	1 January 2024
Amendments to IAS 12	The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability	1 January 2025
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability Disclosures	1 January 2027
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

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.

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

2. ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

(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 MobilityOne Sdn. Bhd. For financial reporting purposes, MobilityOne Sdn. 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 MobilityOne Sdn. Bhd.'s share capital and share premium is presented as a reverse acquisition reserve within equity on consolidation.

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

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 105 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 2023

2. ACCOUNTING POLICIES (Continued)

Revenue recognition

(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. The delivery of products is typically immediately upon purchase and therefore revenue is recorded at point in time, being the date of the underlying customer's purchase of prepaid credit or the transaction giving rise to a commission. 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.

More than 95% of the Group's revenue for the financial ended 31 December 2023 was generated in Malaysia and none of the revenue was derived in the United Kingdom or Channel Islands.

(ii) Interest income

Interest income on lending activities is recorded by reference to the effective interest method. Where there has been a significant increase in credit risk, interest is only recorded by reference to the net carrying value of the receivable.

(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.

(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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

2. ACCOUNTING POLICIES (Continued)

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.

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 2023	5.85	5.68
Year ended 31 December 2022	5.29	5.43

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.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

2. ACCOUNTING POLICIES (Continued)

Taxation (Continued)

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.

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 capitalised 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

2. ACCOUNTING POLICIES (Continued)

Impairment of assets

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

If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. 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 recognized 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.

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.

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.

(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.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

2. ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

(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:

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.

Investment in associate

On acquisition of an investment in an associate, any excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill and included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities of the investee over the cost of investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of associate's or joint venture's profit or loss for the period in which the investment is acquired.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

2. ACCOUNTING POLICIES (Continued)

Investment in associate (Continued)

An associate is accounted for using the equity method as described in IAS 28 from the date on which the investee becomes an associate. Under the equity method, on initial recognition the investment in an associate is recognised at cost, and the carrying amount is increased or decreased to recognise the Group's share of profit or loss and other comprehensive income of the associate after the date of acquisition. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

Profits or losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's consolidated financial statements only to the extent of unrelated investors' interests in the associate or joint venture. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the assets transferred.

The financial statements of the associates are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

The requirements of IAS 36 Impairment of Assets are applied to determine whether it is necessary to recognise any additional impairment loss with respect to its net investment in the associate. When necessary, the entire carrying amount of the investment is tested for impairment in accordance with IAS 36 as a single asset, by comparing its recoverable amount (higher of value-in-use and fair value less costs to sell) with its carrying amount. Any impairment loss is recognised in profit or loss. Reversal of an impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

Financial assets

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised 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 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 the Statement of Financial Position, bank overdrafts are presented in borrowings.

Bank deposits with maturities over 3 months are separately recognised as other financial assets.

Financial liabilities

Trade and other payables and loans and borrowings are subsequently measured using amortised cost accounting using the effective interest rate method.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

2. ACCOUNTING POLICIES (Continued)

Equity instruments

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

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

Financial instruments

Financial instruments carried on the 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.

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.

Investment property

Investment property is held at cost over the expected useful life of the property. As required by IAS 40, fair value of the property is disclosed and where the fair value exercise determines that the fair value is lower than the carrying amount, an impairment is recorded. Rental income is recognised in 'Other operating income'. The investment property is depreciated on a straight line basis over 50 years, which represents the Directors' assessment of the expected useful life of the property. Where there is a change in use of the property, an assessment is made if the asset should be transferred into a different asset category according to its intended use.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

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 2023

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 2023	Note	Effective Interest Rate %	Within 1 year		1-2 years	2-5 years	More than 5 years		Total
			£	£			£	£	
Fixed rate:									
Fixed deposits	18	2.50-3.00	1,636,242	-	-	-	-	-	1,636,242
Floating rate:									
Bankers' acceptance	25	4.80-5.08	(4,028,799)	-	-	-	-	-	(4,028,799)
Term loan	25	4.34	(17,645)	(17,645)	(35,290)	(208,796)			(279,376)
At 31 December 2022									
Fixed rate:									
Fixed deposits	18	1.40-2.60	1,768,584	-	-	-	-	-	1,768,584
Floating rate:									
Bankers' acceptance	25	3.80-5.13	(3,638,665)	-	-	-	-	-	(3,638,665)
Term loan	25	4.15	(8,817)	(9,433)	(20,713)	(191,551)			(230,514)



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

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	
	2023	2022
	£	£
Floating rate instruments		
Financial liabilities (Note 25)	4,225,824	3,869,179

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. 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
	£	£
2023		
Floating rate instruments	(42,258)	42,258
2022		
Floating rate instruments	(38,692)	38,692



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

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 is exposed to foreign currency risk on transaction that are denominated in foreign currency of Ringgit Malaysia (RM).

The Group has not entered into any derivative instruments for hedging or trading purposes as the net exposure to foreign currency risk is not significant. Where possible, the Group will apply natural hedging by selling and purchasing in the same currency. However, the exposure to foreign currency risk is monitored from time to time by management.

The carrying amounts of the Group's foreign currency denominated financial assets and financial liabilities at the end of the reporting period are as follows:

	Denominated in £
2023	
Group	
Deposits, cash and bank balances	4,126,899
Trade and other receivables	2,688,902
Trade and other payables	(7,955,005)
Lease liabilities	(166,837)
Loans and borrowings	(4,225,824)
Net currency exposure	(5,531,865)
2022	
Group	
Deposits, cash and bank balances	5,015,172
Trade and other receivables	2,367,645
Trade and other payables	(2,916,524)
Lease liabilities	(203,766)
Loans and borrowings	(3,869,179)
Net currency exposure	393,348



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

3. FINANCIAL INSTRUMENTS (Continued)

(d) Foreign currency exchange risk (continued)

Sensitivity analysis for foreign currency exchange risk

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in RM exchange rates against £, with other variables held constant.

		Effect on profit before tax	
		2023 £	2022 £
Group			
Change in currency rate			
RM	Strengthen 10%	553,187	(39,335)
	Weakened 10%	(553,187)	39,335

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

3. FINANCIAL INSTRUMENTS (Continued)

(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 Board notes that current liabilities exceed current assets at year end. However, as explained in the going concern disclosure, deferred consideration in respect of Sincere Acres is expected to be paid after the completion of the TETE Merger. In the event that the Group does not have sufficient funds to settle the deferred consideration, for example in a scenario where the TETE Merger is delayed or unsuccessful, the Board intends to surrender the interest in Sincere Acres back to the vendor. Therefore the liquidity risk associated with the deferred consideration is limited. When excluding the deferred consideration, current assets exceed current liabilities and therefore the Board considers that liquidity risk is appropriately managed.

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

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

	On demand or within one year £	On demand one to five year £	On demand over five year £	Total £
2023				
Group Financial liabilities				
Trade and other payables	3,169,711	-	-	3,169,711
Deferred consideration due	4,788,453	-	-	4,788,453
Amount due to Directors	35,300	-	-	35,300
Lease liabilities	70,728	53,470	53,960	178,158
Loans and borrowings	4,036,396	26,711	162,717	4,225,824
Total undiscounted financial liabilities	12,100,588	80,181	216,677	12,397,446
2022				
Group Financial liabilities				
Trade and other payables	2,947,056	-	-	2,947,056
Amount due to Directors	66,855	-	-	66,855
Lease liabilities	113,860	89,906	-	203,766
Loans and borrowings	3,647,482	30,146	191,551	3,869,179
Total undiscounted financial liabilities	6,775,253	120,052	191,551	7,086,856

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

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: (Cont'd)

	On demand or within one year £	On demand one to five year £	On demand over five year £	Total £
2023				
Company Financial liabilities				
Trade and other payables	995	-	-	995
Amount due to subsidiary company	870,686	-	-	870,686
Amount due to directors	35,300	-	-	35,300
Total undiscounted financial liabilities	906,981	-	-	906,981
2022				
Company Financial liabilities				
Trade and other payables	10,658	-	-	10,658
Amount due to subsidiary company	612,703	-	-	612,703
Amount due to directors	64,183	-	-	64,183
Total undiscounted financial liabilities	687,544	-	-	687,544

(f) Fair Values

The carrying amounts of financial assets and financial liabilities 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 2023

4. EMPLOYEES AND DIRECTORS

	Group	
	2023	2022
	£	£
EMPLOYEES		
Wages, salaries and bonuses	1,671,192	1,788,138
Social security contribution	18,434	15,910
Contribution to defined contribution plan	172,232	165,287
Other staff related expenses	21,429	17,119
	1,883,287	1,986,454
DIRECTORS		
Fees	70,990	128,230
Wages, salaries and bonuses	170,347	150,207
Social security contribution	335	524
Contribution to defined contribution plan	19,722	17,837
	261,394	296,798

*

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

4. EMPLOYEES AND DIRECTORS (Continued)

The number of employees (excluding Directors) of the Group and of the Company at the end of the financial year were 127 (2022: 110) and Nil (2022: Nil) respectively.

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

Group 2023	Fees £	Salaries and allowances £	Bonuses £	Social security contribution £	Defined contribution plan £	Total £
<i>Company's Directors:</i>						
Abu Bakar bin Mohd Taib	6,340	-	-	-	-	6,340
Dato' Hussian @ Rizal bin A. Rahman	36,000	78,188	-	131	9,383	123,702
Derrick Chia Kah Wai	2,000	86,159	-	204	10,339	98,702
Seah Boon Chin	14,650	-	-	-	-	14,650
Azlinda Ezrina Binti Ariffin	12,000	6,000	-	-	-	18,000
	70,990	170,347	-	335	19,722	261,394
Group 2022						
<i>Company's Directors:</i>						
Abu Bakar bin Mohd Taib	6,627	-	-	-	-	6,627
Dato' Hussian @ Rizal bin A. Rahman	36,000	81,730	-	340	9,619	127,689
Derrick Chia Kah Wai	24,803	68,477	-	184	8,218	101,682
Seah Boon Chin	43,800	-	-	-	-	43,800
Azlinda Ezrina Binti Ariffin	17,000	-	-	-	-	17,000
	128,230	150,207	-	524	17,837	296,798

* Re-assignment of Derrick Chia Kah Wai's fees payable by the Company to salaries payable by MobilityOne Sdn Bhd.

No employees of the Group were considered as key management personnel other than the members of the Company Board.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

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 two reportable operating segments as follows:

Telecommunication services and electronic commerce solutions	Technology managed services and solution provider and consultancy
Hardware and services	Providing e-Channel products and services solutions including selling of hardware, remittance services and money lending income.

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. The Board considers that an apportionment of assets, liabilities or expenses to the identified segments would not be meaningful or material information as segmental information is only prepared and reviewed at revenue level

No geographical segment information is presented as more than 95% of the Group's revenue for the financial ended 31 December 2023 was generated in Malaysia.

Major Customer

During the year, Customer A contributed 58% to Group revenue and Customer B contributed 13% (2022: Customer A contributed 64%). All revenues from these two customers (2022: one customer) are attributable to the "Telecommunication services and electronic commerce solution" operating segment.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

5. OPERATING SEGMENTS (Continued)

	Telecommunication services and electronic commerce solutions £	Hardware and services £	Inter- segment trading £	Total £
Group 2023				
Segment revenue:	239,532,015	2,141,937	-	241,673,952
External customers	-	167,282	(167,282)	-
Inter-segment	239,532,015	2,309,219	(167,282)	241,673,952
Loss before tax				1,369,614
Tax				(38,518)
Loss for the year				(1,408,132)
Group 2022				
Segment revenue:	230,754,843	3,006,828	-	233,761,671
External customers	-	289,703	(289,703)	-
Inter-segment	230,754,843	3,296,531	(289,703)	233,761,671
Profit before tax				278,978
Tax				(262,350)
Profit for the year				16,628

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

For the year ended 31 December 2023

6. FINANCE COSTS

	Group	
	2023	2022
	£	£
Bankers' acceptance interest	199,798	106,465
Bank guarantee interest	10,898	6,631
Bank overdraft	11,218	4,692
Lease liabilities	8,163	10,286
Term loan	5,981	9,069
	236,058	137,143

7. PROFIT BEFORE TAX

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

		Group	
		2023	Restated 2022
	Note	£	£
Auditors' remuneration			
- Statutory audit			
- Current year		33,000	37,148
- Under provided in prior year		-	(2,761)
Amortisation of intangible assets	11	-	68,051
Amortisation of right-of-use assets	14	96,320	132,580
Bad debt written off		12,131	5,622
Depreciation of property, plant and equipment	12	248,032	275,916
Depreciation of investment property	13	6,344	6,631
Deposit written-off		-	9,112
Directors' remuneration	4	261,394	296,798
(Gain)/Loss on foreign exchange			
- realised		-	7
- unrealised		-	(22,279)
Gain on disposal of property, plant and equipment	12	(1,437)	(8,464)
Gain on disposal of right-of-use assets		(3,234)	-
Impairment loss on goodwill	11	-	177,546
Impairment loss on other receivable		-	3,403
Inventories written off		808	-
Interest income		(39,435)	(35,933)
Net impairment loss on trade receivable		315,009	277,474
Operating lease payment of premises and equipment		60,242	51,128



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

8. TAX

	Group	
	2023	2022
	£	£
Current tax expense:		
Jersey corporation tax for the year	-	-
Foreign tax	5,570	299,354
(Over) provision in prior year	(55)	(7,966)
	5,515	291,388
Deferred tax expense:		
Relating to origination and reversal of temporary difference	33,003	(29,038)
	38,518	262,350

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

	Group	
	2023	2022
	£	£
(Loss)/Profit before taxation	(1,369,614)	278,978
Taxation at Malaysian statutory tax rate of 24% (2022 24%)	(328,707)	66,955
Effect of different tax rates in other countries	(7,347)	10,060
Effect of expenses not deductible for tax	231,721	178,737
Income not taxable for tax purpose	(37,682)	(20,583)
Deferred tax assets not recognised	180,588	215,735
Under/(over) provision of tax expense in prior year	(55)	(7,966)
Tax expense for the year	38,518	262,350

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

For the year ended 31 December 2023

8. TAX (Continued)

As at 31 December 2023, the unrecognised deferred tax assets of the Group are as follows:

	Group	
	2023	2022
	£	£
Unabsorbed tax losses	1,593,792	1,267,534
Unabsorbed capital allowances	475,086	304,057
	2,068,878	1,571,591

The potential deferred tax assets amounting to £2,068,878 (2022: £1,460,339) have 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, in Malaysia.

Under the Malaysia Finance Act 2018 which was gazetted on 27 December 2018, the unutilised tax losses of the Group and of the Company will be imposed with a time limit of utilisation. Any accumulated unutilised tax losses brought forward can be carried forward for a maximum period of 7 consecutive years of assessment. With effect from year of assessment 2022, unutilised tax losses that were allowed to be carried forward up to seven consecutive years was extended to a maximum of ten consecutive years of assessment under the current tax legislation. The unabsorbed capital allowances do not expire under current tax legislation.

Pursuant to Section 44(5F) of the Income Tax Act 1967, the unutilised tax losses can only be carried forward until the following years of assessment.

	Group	
	2023	2022
	£	£
Unutilised tax losses to be carried forward until:		
-2028	1,045,088	1,154,640
-2029	18,151	20,054
-2030	1,733	1,914
-2031	748	826
-2032	81,550	90,100
-2033	446,522	-
	1,593,792	1,267,534

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 £274,674 (2022: £178,125).



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

10. (LOSS)/PROFIT PER SHARE

	Group	
	2023	2022
	£	£
(Loss)/Profit attributable to owners of the Parent for the computation of basic earnings per share		
(Loss)/Profit from continuing operations	(1,408,482)	23,857
Weighted average number of shares at 31 December	106,298,780	106,298,780
Diluted weighted average number of shares at 31 December	106,209,780	112,623,648
(Loss)/Profit Per Share		
Basic earnings per share (pence)	(1,325)	0.022
Diluted earnings per share (pence)	(1,325) *	0.021
(Loss)/Profit Per Share from continuing operations		
Basic earnings per share (pence)	(1,325)	0.022
Diluted earnings per share (pence)	(1,325) *	0.021

* As the Group reported a loss for the year, there is no dilutive effect of share options.

The basic earnings per share is calculated by dividing the loss of £1,408,482 (2022: profit of £23,857) attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year, which is 106,298,780 (2022: 106,298,780).

The diluted earnings per share is calculated using the weighted average number of shares adjusted to assume the exercise of outstanding dilutive share options.

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

For the year ended 31 December 2023

11. INTANGIBLE ASSETS

	Software £	Goodwill on consolidation £	Development Costs £	Total £
GROUP				
31 December 2023				
At cost				
At 1 January 2023	1,071,081	1,797,697	990,082	3,858,860
Addition	-	-	373,965	373,965
Foreign exchange differences	(101,624)	(179,565)	(93,939)	(366,128)
At 31 December 2023	969,457	1,627,132	1,270,108	3,866,697
Accumulated amortisation and impairment loss				
At 1 January 2023	1,071,067	1,583,531	990,082	3,644,680
Foreign exchange differences	(101,623)	(150,245)	(93,938)	(345,806)
At 31 December 2023	969,444	1,433,286	896,144	3,298,874
Net Carrying Amount				
At 31 December 2023	13	193,846	373,964	567,823
GROUP				
31 December 2022				
At cost				
At 1 January 2022	1,006,732	1,689,693	930,598	3,627,023
Foreign exchange differences	64,349	108,004	59,484	231,873
At 31 December 2022	1,071,081	1,797,697	990,082	3,858,860
Accumulated amortisation and impairment loss				
At 1 January 2022	941,066	1,321,515	930,598	3,193,179
Amortisation charge for the year	68,051	-	-	68,051
Impairment loss recognise	-	177,546	-	177,546
Foreign exchange differences	61,950	84,470	59,484	205,904
At 31 December 2022	1,071,067	1,583,531	990,082	3,644,680
Net Carrying Amount				
At 31 December 2022	14	214,166	-	214,180

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

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. In the case of goodwill, an automatic annual impairment test is performed.

Goodwill on consolidation

(a) Impairment testing for goodwill on consolidation

Goodwill on consolidation has been allocated for impairment testing purposes to the individual entity which is also the cash-generating units ("CGU") identified. The Group's goodwill arose in relation to the acquisition OneTransfer Remittance which operates the Group's remittance business. Management considers that the goodwill represents the growth opportunity in the sector and potential synergistic benefits with the wider business.

(b) Key assumptions used to determine recoverable amount

The recoverable amount of a CGU is determined based on value in use calculations using cash flow projections based on financial budgets approved by the Directors covering a 5 years period. The projections are based on the assumption that the Group can recognise projected sales which grow at 20% to 30% per annum which is based on expected clientele growth 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 7.2% (2022: 8.0%) 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 recognized an impairment loss amounting to £Nil (2022: £177,546) in respect of the goodwill on consolidation. The entirety of goodwill on consolidation relates to the acquisition of OneTransfer Remittance Sdn Bhd which is a CGU and has a carrying amount of £193,846 (2022: £214,166). Its recoverable amount has been determined based on value-in-use by using discounting future cash flow to be generated by the CGU and key assumptions as described in (b) above. The impairment test showed that goodwill would not be impaired if the discount rate were 5% higher or if sales grew at a rate 10% less than projected.

Development costs

Development costs represent two distinct internally generated assets, both of which are expected to create benefits to the Group for a period of five years. Amortisation will commence when the asset is ready for use, which in the case of the internal generation of technological capabilities is when the build phase is completed and testing has demonstrated that the product can be commercially deployed. Amortisation of development assets is included within Administrative expenses in profit of loss. The development assets relate to new payment technology capabilities which are expected to enhance the earnings capability within the Group's existing principal activities.

The Company held no intangible assets or goodwill.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

12. PROPERTY, PLANT AND EQUIPMENT

Group 31 December 2023	Motor Vehicles £	Electronic Data		Computer equipment £	Computer software £	Furniture and fittings £	Office equipment £	Renovation £	Total £
		Capture equipment £	Equipment £						
At Cost									
At 1 January 2023	289,490	1,052,756	1,177,813	161,418	134,968	140,357	200,622	3,157,424	
Additions	-	24,654	10,423	11,583	99	333	-	47,092	
Disposals	-	(1,982)	-	-	-	-	-	(1,982)	
Written off	-	-	(19,772)	-	(581)	-	-	(20,353)	
Foreign exchange differences	(27,466)	(100,540)	(111,481)	(15,649)	(12,792)	(13,143)	(19,035)	(300,106)	
At 31 December 2023	262,024	974,888	1,056,983	157,352	121,694	127,547	181,587	2,882,075	
Accumulated Depreciation									
At 1 January 2023	289,489	892,373	726,941	73,802	106,700	78,492	150,558	2,318,355	
Depreciation charge for the year	-	96,028	100,835	12,955	5,820	14,531	18,151	248,320	
Disposals	-	(1,302)	-	-	-	-	-	(1,302)	
Foreign exchange differences	(27,466)	(87,440)	(71,883)	(7,375)	(10,292)	(8,066)	(14,809)	(227,331)	
At 31 December 2023	262,023	899,659	755,893	79,382	102,228	84,957	153,900	2,338,042	
NET CARRYING AMOUNT									
At 31 December 2021	1	75,229	301,090	77,970	19,466	42,590	27,687	544,033	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

12. PROPERTY, PLANT AND EQUIPMENT	Group Restated 31 December 2022	Motor	Electronic	Computer	Furniture	Office	Renovation	Total
		Vehicles £	Data Capture equipment £	equipment £	and fittings £	equipment £	£	£
At Cost								
At 1 January 2022	289,003	982,244	806,822	134,244	123,627	83,638	188,569	2,608,147
Additions	-	7,529	311,194	18,115	3,351	49,867	-	390,056
Disposals	(17,986)	-	-	-	-	-	-	(17,986)
Foreign exchange differences	18,473	62,983	59,797	9,059	7,990	6,852	12,053	177,207
At 31 December 2022	289,490	1,052,756	1,177,813	161,418	134,968	140,357	200,622	3,157,424
Accumulated Depreciation								
At 1 January 2022	289,002	714,633	592,556	57,112	94,399	59,207	123,086	1,929,995
Depreciation charge for the year	-	128,660	94,025	12,704	6,105	15,036	19,099	275,629
Disposals	(17,986)	-	-	-	-	-	-	(17,986)
Foreign exchange differences	18,473	49,080	40,360	3,986	6,196	4,249	8,373	130,717
At 31 December 2022	289,489	892,373	726,941	73,802	106,700	78,492	150,558	2,318,355
NET CARRYING AMOUNT								
At 31 December 2022	1	160,383	450,872	87,616	28,268	61,865	50,064	839,069

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

For the year ended 31 December 2023

12. PROPERTY, PLANT AND EQUIPMENT (Continued)

(a) Cash payments of £47,092 (2022: £390,056) were made by the Group to purchase property, plant and equipment.

(b) The Company held no property, plant and equipment.

13. INVESTMENT PROPERTY

	Company	
	2023	Restated 2022
	£	£
AT COST		
At 1 January	340,315	319,869
Less: Disposal of subsidiary company	(32,289)	20,446
At 31 December	308,026	340,315
Accumulated Depreciation		
At 1 January	57,190	47,357
Depreciation charge for the year	6,344	6,631
Foreign exchange differences	(5,610)	3,202
At 31 December	57,924	57,190
Net Carrying Amount		
At 31 December	250,102	283,125
At Cost		
Included in the above are:		
Freehold building	250,102	283,125
Fair value of investment property	331,254	365,978

(a) Asset pledged as securities to licensed bank

The carrying amount of investment property of the Group pledged as securities for bank borrowings as disclosed in Note 25.

The Group owns a freehold property in Kuala Lumpur which is let to an external party. The Group therefore accounts for the property as an investment property. The Directors have elected to hold the investment property under the cost model. The fair value of the property disclosed above was determined by the Directors, using a desktop review of achievable price per square foot of similar properties in a similar location. No independent valuer was appointed for this purpose. Rental income of £14,792 (2022: £15,462) was recognised in other income in respect of the property. The property is depreciated straight line over a period of 50 years which is the assessed useful life of the asset.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

14. RIGHT-OF-USE ASSETS

	Machine £	Motor vehicles £	Building improvement £	Leasehold improvement £	Office Equipment £	Total £
Group 2023						
At Cost						
At 1 January 2023	-	324,687	254,658	9,879	13,117	602,341
Additions	78,125	-	24,500	-	-	102,625
Written off	-	-	(49,257)	-	-	(49,257)
Expiration of lease contract	-	-	(33,825)	-	-	(33,825)
Foreign exchange differences	(2,255)	(30,805)	(23,448)	(484)	(1,245)	(58,237)
At 31 December 2023	75,870	293,882	172,628	9,395	11,872	563,647
Accumulated Amortisation						
At 1 January 2023	-	270,006	133,580	9,590	6,230	419,406
Charge for the financial year	7,812	19,722	65,689	957	2,139	96,319
Written off	-	-	(31,119)	-	-	(31,119)
Expiration of lease contract	-	-	(33,825)	-	-	(33,825)
Foreign exchange differences	(225)	(26,188)	(13,673)	(1,152)	(651)	(41,889)
At 31 December 2023	7,587	263,540	120,652	9,395	7,718	408,892
Net Carrying Amount						
At 31 December 2023	68,283	30,342	51,976	-	4,154	154,755

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

For the year ended 31 December 2023

14. RIGHT-OF-USE ASSETS (Continued)

	Motor vehicles £	Building £	Leasehold improvement £	Office Equipment £	Total £
Group 2022					
At Cost					
At 1 January 2022	305,180	161,351	9,627	12,329	488,487
Additions	-	152,494	-	-	152,494
Written off	-	(5,019)	-	-	(5,019)
Expiration of lease contract	-	(68,380)	-	-	(68,380)
Foreign exchange differences	19,507	14,212	252	788	34,759
At 31 December 2022	324,687	254,658	9,879	13,117	602,341
Accumulated Amortization					
At 1 January 2022	223,737	97,009	8,382	3,699	332,827
Charge for the financial year	31,144	98,214	986	2,236	132,580
Written off	-	(2,008)	-	-	(2,008)
Expiration of lease contract	-	(68,380)	-	-	(68,380)
Foreign exchange differences	15,125	8,745	222	295	24,387
At 31 December 2022	270,006	133,580	9,590	6,230	419,406
Carrying Amount					
At 31 December 2022	54,681	121,078	289	6,887	182,935



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

14. RIGHT-OF-USE ASSETS (Continued)

Lease liabilities	Group 2023 Total £	Group 2022 Total £
At 1 January	203,766	155,489
Addition	99,663	156,525
Payments	(96,503)	(116,670)
Written off	(21,372)	(1,477)
Foreign currency translation differences	(18,717)	9,899
At 31 December	166,837	203,766
Presented as:		
Non-current	101,465	98,450
Current	65,372	105,316
	166,837	203,766
Minimum lease payments:		
Not later than 1 year	70,728	113,860
Later than 1 year but not later than 2 years	53,470	51,693
Later than 2 years but not later than 5 years	53,960	50,102
	178,158	215,655
Less: Future finance charges	(11,321)	(11,889)
Present value of lease liabilities	166,837	203,766

The Company held no leases or right of use assets.

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

For the year ended 31 December 2021

15. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2023 £	2022 £	2023 £	2022 £
Trade receivables				
Non-current				
Trade receivables				
- Third parties	17,105	234,566	-	-
- An associate	262,614	-	-	-
Less: Accumulated impairment loss	(21,291)	(6,516)	-	-
	258,428	228,050	-	-
Current				
Trade receivables				
- Third parties	1,940,845	1,813,129	-	-
- A related party	18,049	1,021	-	-
- An associate	598,965	-	-	-
Less: Accumulated impairment loss	(548,216)	(284,706)	-	-
	2,009,643	1,529,444	-	-
	2,268,071	1,757,494	-	-
Other receivables				
- Third parties	378,436	368,653	-	-
- An associate	51,971	-	-	-
Less: Accumulated impairment loss	-	(3,403)	-	-
	430,407	365,250	-	-
- Deposits	237,377	258,827	-	-
- Prepayments	9,816	23,856	-	-
- Staff advances	1,659	2,408	-	-
	679,259	650,341	-	-
Total trade and other receivables	2,947,330	2,407,835	-	-

The Group's and the Company's normal trade credit terms range from 30 to 60 days (2022: 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 2023

15. TRADE AND OTHER RECEIVABLES (Continued)

Movements in the allowance for impairment losses on trade receivables are as follows:

	Group 2023 Total £	Group 2022 Total £
Lifetime allowance		
At 1 January	10,864	13,750
Impairment losses recognised	128,842	2,175
Reversal	-	(5,061)
Foreign exchange differences	(4,750)	-
At 31 December	134,956	10,864
Credit impairment		
At 1 January	280,358	-
Impairment losses recognised	248,569	280,358
Reversal	(62,402)	-
Foreign exchange differences	(31,974)	-
At 31 December	434,551	280,358
Loss allowance		
At 1 January	291,222	13,750
Impairment losses recognised	377,411	282,533
Reversal	(62,402)	(5,061)
Foreign exchange differences	(36,724)	-
At 31 December	569,507	291,222

Lifetime allowances reflects the expected credit loss provision on trade and other receivables which are not considered to be subject to a significant increase in credit risk and therefore are subject to credit loss provisions by reference to the class of borrower and ageing of the receivable.

Credit impairment represents receivables which exhibit a significant increase in credit risk and under the Group's provisioning policy are provided at 100%. Interest income is no longer recognised on these balances. The Group determines that a significant increase in credit risk arises when specific information is determine to indicate such a change in credit exposure or because more than 90 days have passed without payment or indication that payments will resume in the foreseeable future.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

15. TRADE AND OTHER RECEIVABLES (Continued)

(a) Ageing analysis

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

	Group 2023 £	Group 2022 £
Neither past due nor impaired	784,788	583,537
1 to 2 months past due	734,090	408,392
3 to 12 months past due	1,318,700	1,056,787
	2,852,790	1,465,179
	2,837,578	2,048,716

- (a) The Group's and the Company's normal trade credit terms range from 30 to 60 days (2022: 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) The Group recognise an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL, ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contract terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months ("a 12-month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default ("a lifetime ECL").

For trade receivables, the Group apply a simplified approach in calculating ECLs. Therefore, the Group do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

15. TRADE AND OTHER RECEIVABLES (Continued)

(a) Ageing analysis (Continued)

Credit loss provisions are assessed by reference to historic cash collection rates and macroeconomic factors. Within the Group's telecomms operating segment, ECL rates range between 0.2% and 2.7% given the long term relationships the Group has with its core customer base. Within the hardware and services operating segment, ECL rates range from 1.1% to 66%, with an average rate of 13%, given the varied risk characteristics of debtors in the Group's lending business.

16. INVESTMENT IN ASSOCIATE

	Group 2023 £	Group 2022 £
At cost:		
At acquisition	5,130,485	-
Share of post-acquisition result	(120,201)	-
Balance at end of the financial year	5,010,284	-

Details of the associate are as follows:

Name of Subsidiary Companies	Country of incorporation	Effective Ownership of Ordinary Shares Interest		Principal Activities
		2023 (%)	2022 (%)	
Sincere Acres Sdn. Bhd.*	Malaysia	49	-	Holding company
Held through Sincere Acres Sdn. Bhd.				
Hati International Sdn. Bhd.*	Malaysia	100	100	Information technology related services, investment holding and general trading
Hati Malaysia Solutions Sdn. Bhd.*	Malaysia	100	100	Information technology related services
Held through Hati International Sdn. Bhd.				
SD Global IT Solutions Sdn. Bhd.*	Malaysia	100	100	Technology solution and business development

* Audited by firm of auditors other than Gravita Audit Limited.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

16. INVESTMENT IN ASSOCIATE (Continued)

On 29 September 2023, MobilityOne Sdn Bhd ("M1 Malaysia") entered into a Share Sale Agreement with United Flagship Development Sdn. Bhd. (the "Vendor") to acquire a 49% equity interest in Sincere Acres Sdn. Bhd. for a total cash consideration of RM 30,000,000.

The principal place of business of Sincere Acres Sdn. Bhd. and Hati International Sdn Bhd is located at Unit-03A, Level 11, Tower B, The Vertical Business Suite, 8, Jalan Kerinchi, Bangsar South, 59200 Kuala Lumpur, Malaysia.

Completion of the acquisition of 49% equity interest in Sincere

Pursuant to the terms of the Acquisition, the RM30,000,000 cash consideration is required to be paid to the Vendor in two tranches. While the first tranche, representing RM2.0 million, has been paid by M1 Malaysia to the Vendor, the second tranche, representing the balance of RM28 million (£4.8 million) (the "Second Tranche"), was required be paid by M1 Malaysia by 8 March 2024 (the "Second Tranche Payment Date").

While the Second Tranche Payment Date has been extended to 8 September 2024 (the "Extended Second Tranche Payment Date"), any payment in relation to the Second Tranche made after the Second Tranche Payment Date will be subject to an interest charge of 10% per annum. The balance amount payable for the Second Tranche (including any interest charge if the payment is made after the Second Tranche Payment Date) shall be reduced by RM1 million when the payment is made by the Extended Second Tranche Payment Date.

Summarised financial information of the Group's material associated company, Sincere is set out below:

(a) Summarised consolidated statement of financial position of Sincere

	2023 £
Cash and cash equivalent	3,016
Other current asset	87,875
Non-current assets	3,839,622
Current financial liabilities (excluding trade and other payables and provisions)	(3,442,839)
Other current liabilities	(441,861)
Net assets	45,813
Interest in associate	49%
Group's share of net assets	22,448
Goodwill	4,987,836
Carrying value of Group's interest in associate	5,010,284

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

16. INVESTMENT IN ASSOCIATE (Continued)

(b) Summarised consolidated statement of profit or loss and other comprehensive income of Sincere

	2023 £
Total comprehensive loss for the period 4 October 2023 to 31 December 2023	(252,600)
Group's share of loss	(120,201)
Included in total comprehensive loss are:	
Revenue	9,839
Amortisation of intangible assets	(47,347)
Depreciation of property, plant and equipment	(9,772)
Interest expense	(34,694)

17. INVENTORIES

	Group 2023 £	Group 2022 £
At lower of cost and net realisable value:		
Airtime	1,834,804	3,101,871
Electronic data capture equipment	71,587	79,356
Card	6,170	8,548
Trading goods	114	126
	1,912,675	3,189,901
Recognised in profit or loss:		
Cost of sales	229,742,340	224,905,178
Written off	784	-

18. OTHER FINANCIAL ASSETS (As Restated)

	Group 2023 £	Group 2022 £
Fixed deposits with licensed bank	600,694	652,206

Other financial assets represents cash deposited at banks with maturities of over 3 months at the time of the deposit.

- (a) The above fixed deposits have been pledged to licensed banks as securities for credit facilities granted to the Group as disclosed in Note 25 to the financial statements.
- (b) The Group's effective interest rates and maturities of deposits are range from 2.5% – 3.0% (2022: 1.4% - 2.6%) and from 12 months (2022: 12 months) respectively.

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

For the year ended 31 December 2023

19. CASH AND CASH EQUIVALENTS (As Restated)

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Cash in hand	273,631	107,476	-	-
Bank balances	2,226,956	3,139,112	9,930	11,264
Fixed deposits with licensed bank	1,035,548	1,116,378	-	-
Cash and cash equivalents	3,536,135	4,362,966	9,930	11,264

- (a) The above fixed deposits have been pledged to licensed banks as securities for credit facilities granted to the Group as disclosed in Note 25 to the financial statements.
- (b) The Group's effective interest rates and maturities of deposits are range from 1.4% – 1.75% (2020: 1.4% - 2.6%) and from 1 month to 12 months (2020: 1 month to 12 months) respectively.

20. CALLED UP SHARE CAPITAL

	Number of ordinary shares of £0.025 each		Amount	
	2023	2022	2023	2022
	£	£	£	£
Authorised in MobilityOne Limited				
At 1 January/31 December	400,000,000	400,000,000	10,000,000	10,000,000
Issued and fully paid in MobilityOne Limited				
At 1 January/31 December	106,298,780	106,298,780	2,657,470	2,657,470

21. COMPANY RESERVES

	Share capital	Share premium	Retained earnings	Total
	£	£	£	£
2023				
At 1 January 2023	2,657,470	909,472	(2,211,245)	1,355,697
Loss for the year	-	-	(274,674)	(274,674)
At 31 December 2023	2,657,470	909,472	(2,485,919)	1,081,023
2022				
At 1 January 2022	2,657,470	909,472	(2,033,120)	1,533,822
Loss for the year	-	-	(178,125)	(178,125)
At 31 December 2022	2,657,470	909,472	(2,211,245)	1,355,697

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

22. 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.

23. 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.

	2023 £	2022 £
At 1 January	1,047,682	692,707
Currency translation differences during the year	(543,531)	354,975
At 31 December	504,151	1,047,682

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.

24. RETAINED EARNINGS

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

	Group		Company	
	2023 £	2022 £	2023 £	2022 £
At 1 January	(93,766)	(117,623)	(2,211,245)	(2,033,120)
(Loss)/Profit for the year	(1,408,482)	23,857	(274,674)	(178,125)
At 31 December	(1,502,248)	(93,766)	(2,485,919)	(2,211,245)

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

For the year ended 31 December 2023

25. FINANCIAL LIABILITIES – LOANS AND BORROWINGS

	Group	
	2023	2022
	£	£
Non-Current		
Secured:		
Term loan	189,428	221,697
	189,428	221,697
Current		
Secured:		
Bankers' acceptance	4,028,799	3,638,665
Term loan	7,597	8,817
	4,036,396	3,647,482
Total Borrowings		
Secured:		
Bankers' acceptance	4,028,799	3,638,665
Term loan	197,025	230,514
	4,225,824	3,869,179

The bankers' acceptance and bank overdraft secured by the following:

- (a) pledged of fixed deposits of M1 Malaysia (Notes 18);
- (b) Corporate Guarantee given by the Company; and
- (c) Debenture over M1 Malaysia's fixed and floating assets, both present and future.

The Company held no external borrowings.

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	
	2023	2022
	%	%
Bankers' acceptance	4.8%-5.08%	3.8-5.13
Term loan	4.34%	4.15

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

25. FINANCIAL LIABILITIES – LOANS AND BORROWINGS (Continued)

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

	Group	
	2023	2022
	£	£
Within one year	4,036,396	3,647,482
Between one to two years	8,250	9,433
Between two to five years	18,461	20,713
More than five years	162,717	191,551
	4,225,824	3,869,179

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

26. TRADE AND OTHER PAYABLES

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Trade payables				
- Third parties	1,896,183	1,165,572	-	-
Other payables				
- Deposits	109,378	197,638	-	-
- Accruals	125,210	601,267	-	8,033
- Sundry payables	1,034,159	971,739	995	2,625
- Services tax output	4,781	10,840	-	-
Amount due to subsidiary companies	-	-	870,686	612,703
	1,273,528	1,781,484	871,681	623,361
Total trade and other payables	3,169,711	2,947,056	871,681	623,361

(a) The Group's normal trade credit terms range from 30 to 90 days (2022: 30 to 90 days).

(b) Other payables are non-interest bearing. Other payables are normally settled on an average terms of 60 days (2022: 60 days).

(c) The carrying values of trade and other payables approximates to their fair value.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

27. AMOUNT DUE TO DIRECTORS

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Current				
Dato' Hussian @ Rizal bin A. Rahman	-	2,793	-	121
Derrick Chia Kah Wai	26,000	24,000	26,000	24,000
Seah Boon Chin	6,300	37,062	6,300	37,062
Azlinda Ezrina binti Ariffin	3,000	3,000	3,000	3,000
Total amount due to Directors	35,300	66,855	35,300	64,183

These are unsecured, interest free and repayable on demand.

28. INVESTMENT IN SUBSIDIARY COMPANIES

	Company	
	2023	2022
	£	£
At Cost		
At 1 January	1,976,339	1,976,339
Less: Disposal of subsidiary company	-	-
At 31 December	1,976,339	1,976,339

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

28. INVESTMENT IN SUBSIDIARY COMPANIES (Continued)

Name of Subsidiary Companies	Country of incorporation	Effective Ownership of Ordinary Shares Interest **		Principal Activities
		2021 (%)	2020 (%)	
MobilityOne Sdn. Bhd.*	Malaysia	100	100	Provision of e-Channel products and services, technology managed services and solution sales and consultancy
M1 AP Sdn. Bhd.*	Malaysia	100	100	Investment holding company
M-One Tech Ltd.	United Kingdom	100	100	Inactive
Direct subsidiary companies of MobilityOne Sdn. Bhd.				
M1 Pay Sdn. Bhd.*	Malaysia	100	100	Provision of solution sales and services
MobilityOne Philippines, Inc*	Philippines	95	95	Provision of IT systems and solutions and to establish a multi-channel electronic service bureau
One Tranzact Sdn. Bhd.*	Malaysia	100	100	Provision of electronic payment and product fulfillment
MobilityOne (B) Sdn. Bhd.*	Brunei	99	99	Financial services
OneShop Retail Sdn. Bhd.*	Malaysia	100	100	General merchant retail sales in all type of goods, materials and commodities
M1 Merchant Sdn. Bhd.*	Malaysia	60	60	Provision of solutions and services in relation to electronic payments via terminals, mobile devices or any its related business
Onetransfer Remittance Sdn. Bhd.*	Malaysia	100	100	Provider for International remittance services
Qube Nexus Sdn. Bhd.*	Malaysia	80	-	Dormant

* Audited by firm of auditors other than Gravita Audit Limited

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

On 14 September 2023, MobilityOne Sdn Bhd subscribed for 80 ordinary shares in Qube Nexus Sdn. Bhd. ("QNSB"), for a total cash consideration of RM80 only. Consequently, QNSB become a 80% owned subsidiary company of MobilityOne Sdn Bhd.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

29. RECONCILIATION OF PROFIT BEFORE TAX TO CASH GENERATED FROM OPERATIONS

	Group	
	2023	2022
	£	£
Cash flow from operating activities		
(Loss)/Profit before tax	(1,369,614)	278,978
Adjustments for:		
Amortisation of intangible assets	-	68,051
Amortisation of right-of-use assets	96,319	132,580
Bad debt written off	12,131	5,622
Depreciation of property, plant and equipment	248,320	275,629
Depreciation of investment property	6,344	6,631
Gain on disposal of property, plant and equipment	(1,437)	(8,464)
Gain on disposal of right-of-use assets	(3,234)	-
Impairment loss on trade receivables	377,411	282,535
Impairment loss on others receivables	-	3,403
Impairment loss on goodwill	-	177,546
Interest expenses	236,058	137,143
Inventories written off	808	-
Interest income	(39,435)	(35,933)
Property, plant and equipment written off	20,354	-
Reversal on impairment loss on trade receivable	(62,402)	(5,061)
Share of post-tax loss of equity accounted associates	123,774	-
Unrealised gain on forex	(10,707)	(22,279)
Operating cash flows before working capital changes	(365,310)	1,296,381

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

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

	Group	
	2023	2022
	£	£
Decrease/(Increase) in inventories	1,276,418	(71,330)
(Increase)/Decrease in receivables	(888,275)	474,252
Increase in amount due to Directors & Shareholder	(31,555)	(57,571)
Increase/(Decrease) in payables	222,656	(2,256,495)
Cash from/(used in) operations	213,934	(614,763)

	Company	
	2023	2022
	£	£
Cash flow from operating activities		
Loss before tax	(274,674)	(178,125)
Increase in trade and other receivable	-	18
(Decrease)/Increase in payables	(9,663)	73,940
Amount owing to/by subsidiaries company	311,886	226,098
(Decrease)/Increase in amount due to Directors	(28,883)	(121,915)
Cash depleted in operations	(1,334)	16

30. RELATED PARTY TRANSACTIONS

At the Statement of Financial Position date, the Group owed the Directors £35,300 (2022: £66,855), the Company owed the Directors £35,300 (2022: £64,183), the Company owed MobilityOne Sdn. Bhd. ("M1 Malaysia") £870,686 (2022: £612,703), the subsidiary companies of M1 Malaysia owed M1 Malaysia £2,483,177 (2022: £399,227) and M1 Malaysia owed the subsidiary companies £1,815,364 (2022: £469,413). The amounts owing to or from the subsidiary companies and related parties are repayable on demand and are interest free.

At the Statement of Financial Position date, Hati International Sdn. Bhd. (an associate of M1 Malaysia) owed the Group £913,550 (2022: Nil). The amount owing from the associate are subject to 18% interest, and repayable ranging from one to three years (2022: Nil). During the financial year, the Group recognised allowance for expected credit losses amounting to £88,268 (2022: Nil) in respect of the amount owing by associate.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

30. RELATED PARTY TRANSACTIONS (Continued)

In 2023, M1 continued to rent an office in Sabah, Malaysia from LMS Digital Sdn Bhd (“LMS”) for RM2,500 (c. £460) a month.

On 10 February 2022, M1 Malaysia entered into a tenancy agreement with LMS to occupy approximately 4,500 square feet of office space at Wisma LMS, Kuala Lumpur, Malaysia for RM11,250 (c. £2,000) a month. In addition, M1 Malaysia entered into several ordinary course commercial agreements with TFP Solutions Berhad (“TFP”) for the following products and services:

- (i) to integrate eWallet/eMoney into TFP’s services and white labelling the eWallet/eMoney;
- (ii) to provide various value added services (including prepaid top-up and bill payment);
- (iii) to provide online payment gateway;
- (iv) to provide SMS blasting services;
- (v) to provide payment terminals and online payment to accept payment via credit/debit cards and eWallets; and;
- (vi) to use SAP Business One software licenses and services from TFP.

During the financial year, M1 Malaysia paid total lease payment of £29,056 (2022: £22,089) in respect to the tenancy agreement with LMS.

In 2023, M1 Malaysia receiving commission from TFP amounting to RM354 (c. £61).

Dato’ Hussian @ Rizal bin A. Rahman is a director and shareholder of LMS and TFP.

31. ULTIMATE CONTROLLING PARTY

In the opinion of the Directors, as at 31 December 2021, the ultimate controlling party in the Company is Dato’s Hussain @ Rizal bin A. Rahman by virtue of his shareholding.

32. CONTINGENT LIABILITIES

The Group has the following contingent liabilities:

	Group	
	2023	2022
	£	£
Company		
Corporate guarantee given to a licensed bank by the Company for credit facilities granted to a subsidiary company	4,976,571	5,498,243
Group		
Banker’s guarantees in favour of third parties	619,665	456,001

The Directors consider that no material exposure arises from the guarantee given.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

33. SHARE BASED PAYMENTS

During the year ended 31 December 2023, the Company did not grant any new share option to directors and employees of the Group. A total number of share options of 10,600,000 shares were granted in 2014.

The details of the share options granted in 2014 are shown below:

Grant date	5 December 2014
Share price at grant date	1.5p
Exercise price	2.5p
Option life	10 years
Expiry date	4 December 2024

Up to 31 December 2023, share options of 2,000,000 shares had lapsed due to resignation of employees and no options had been exercised and therefore the number of options in issue and exercisable at the reporting date was 8,600,000.

34. SUBSEQUENT EVENTS

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

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

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

- (a) RM40.0 million (c. £6.84 million) in cash within 14 days upon completion of the Merger Exercise; and
- (b) RM20.0 million (c. £3.42 million) in cash within 180 days upon completion of the Merger Exercise.

In addition, pursuant to the terms of the Proposed Joint Venture, M1 Malaysia undertook to provide the necessary technical and business support to 1Shop and guaranteed that 1Shop will achieve revenues of at least RM560.0 million in the financial year ending 31 December 2023 or any other period as mutually agreed (“**Revenue Target**”). In consideration of M1 Malaysia guaranteeing the Revenue Target, M1 Malaysia will be receiving the shares of TETE with aggregate value of RM20.0 million following 1Shop achieving the Revenue Target. In the event the Revenue Target is not met, M1 Malaysia will not receive the shares of TETE and will not subject to any penalty.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

34. SUBSEQUENT EVENTS (Continued)

Tete Technologies Inc, a wholly-owned subsidiary of TETE, has since filed a draft proxy statement ("**TETE Proxy Filing**") with the SEC and the TETE Proxy Filing is subject to the approval by the SEC. The Company will release further announcements as and when appropriate.

It was announced by the Group on 18 June 2024 that the deadline to complete the Merger Exercise was extended from 20 July 2024 to 20 January 2025. There can be no guarantee that the payment for the consideration of the Disposal and the Proposed Joint Venture can be completed as they are conditional on the completion of the Merger Exercise, which is out of the Group's control. The payment for the consideration of the Disposal and the completion of the Proposed Joint Venture are expected to contribute positively to the financial position and future growth of the Group.

35. RECLASSIFICATION ADJUSTMENTS

Certain comparative figures have been restated to better present the nature of certain balances.

1. It was identified that the Group's investment property was incorrectly categorised as property, plant and equipment. A restatement was made to recategorise the asset between these line items. The effect of the restatement was to move the carrying value of £283,125 from property, plant and equipment into investment property.
2. It was identified that certain cash deposits with maturity at origination of more than three months had been included within cash and cash equivalents. These deposits were represented as 'Other financial assets'. The effect of the restatement was the move £652,206 from cash and cash equivalents into 'Other financial assets'. An associated adjustment was made to the cash flow statement such that only movements in cash and cash equivalents were presented.

Neither of the adjustments impacted the reported profit for the year, the reported Earnings Per Share, or the Company balance sheet.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Annual General Meeting of **MOBILITYONE LIMITED (“Company”)** will be held at 4.00 p.m. Malaysia time on 11 September 2024 at Level 2, Wisma LMS, No. 6, Jalan Abd. Rahman Idris, Off Jalan Raja Muda Abdul Aziz, 50300 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 2023 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** Azlinda Ezrina Binti Ariffin is re-elected as a Director.
5. **THAT** Gravita Audit Limited be appointed 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 annual general meeting.
6. **THAT** the Directors of the Company be authorised to fix the remuneration of Gravita Audit Limited as the Auditors of the Company.

Abu Bakar bin Mohd Taib
Chairman

Dated: 20 August 2024

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 c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY, the United Kingdom 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.

No. of Shares:

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 Level 2, Wisma LMS, No. 6, Jalan Abd. Rahman Idris, Off Jalan Raja Muda Abdul Aziz, 50300 Kuala Lumpur, Malaysia on 11 September 2024 at 4.00 p.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 2023 be adopted.			
2. THAT Derrick Chia Kah Wai is re-elected as a Director.			
3. THAT Seah Boon Chin re-elected as a Director.			
4. THAT Azlinda Ezrina Binti Ariffin is re-elected as a Director.			
5. THAT Gravita Audit Limited be appointed 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 annual general meeting.			
6. THAT the Directors be authorised to fix the remuneration of Gravita Audit Limited as the Auditors of the Company.			

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: 2024

If for and on behalf of a corporation:

Signed by:

for and on behalf of:

Position:

Dated:2024

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 c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY, the United Kingdom or at such other place as is specified for that purpose in the notice of the meeting or in the instrument of proxy issued by the Company at least 24 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll, at least 24 hours before the time appointed for taking the poll and, in default, the instrument of proxy shall not be treated as valid.
3. Completion of the instrument appointing a proxy does not preclude a member from subsequently attending and voting at the meeting in person if he/she so wishes.
4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and seniority shall be determined by the order in which the names of the Holders stand in the register of members of the Company.
5. As permitted by Regulation 40(1) of the Companies (Uncertificated Securities) (Jersey) Order 1999, only persons entered on the register of members of the Company not later than 48 hours before the time appointed for the meeting are entitled to attend and/or vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register of members after that time will be disregarded in determining the rights of any person to attend and/or vote at the meeting.

FOLD THIS FLAP FOR SEALING

THEN FOLD HERE

AFFIX
STAMP

COMPANY'S REGISTRARS

MOBILTYONE LIMITED /
COMPUTERSHARE INVESTOR SERVICES (JERSEY) LIMITED
C/O THE PAVILLIONS
BRIDGWATER ROAD
BRISTOL BS99 6ZY
UNITED KINGDOM

FIRST FOLD HERE

www.mobilityone.com.my



REGISTERED OFFICE

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Jersey JE1 1ES
Channels Islands

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