THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document, or about what action to take, you should immediately consult a professional adviser authorised pursuant to the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities. An application has been made for the Enlarged Ordinary Share Capital of the Company to be admitted to trading on the AIM Market of the London Stock Exchange. It is expected that dealings in the Ordinary Shares will commence on 26 July 2006. AIM is a market designed primarily for emerging or small companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority ("UKLA"). The rules of AIM are less demanding than those of the Official List of the UKLA. It is emphasised that no application is being made for admission of the Ordinary Shares of 1pm plc to the Official List. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. This document is not a prospectus and a copy has not been delivered to UKLA under regulation 3.2 of the Prospectus Rules Instrument 2005. This document has been drawn up in accordance with the AIM Rules. The London Stock Exchange has not examined or approved the contents of this document. Your attention is drawn to the section headed "Risk Factors" in Part Two of this document. It has been issued in connection with the application for trading of the Ordinary Shares on AIM. To the best of the knowledge and belief of the Directors (who have taken all reasonable care that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors, whose names are set out on page 3, accept responsibility accordingly, including individual and collective responsibility for compliance with the AIM Rules. In connection with this document and/or the Placing, no person is authorised to give any information or make any representations other than is contained in this document.

1pm plc

(Incorporated in England and Wales with registration number 5845866)

Placing of 65,000,000 new Ordinary Shares at 2 pence per share
and
Admission to trading on AIM

Nominated Adviser	Broker
ARM Corporate Finance Limited	SVS Securities plc

Share capital immediately following the Placing consisting of Ordinary Shares of £0.0006818 each

Authorised	Issued
440,000,004	146,561,469
£300,000	£99,228

All of the Ordinary Shares will, upon Admission, rank pari passu in all respects and will rank in full for all dividends and other distributions declared, paid or made in respect of the Ordinary Shares after Admission. ARM Corporate Finance Limited, which is authorised and regulated by The Financial Services Authority, is the Company's Nominated Adviser for the purposes of the AIM Rules. Its responsibilities as the Company's Nominated Adviser under the AIM Rules are owed solely to the London Stock Exchange. ARM Corporate Finance Limited will not be responsible to anyone other than the Company for providing the protections afforded to customers of ARM Corporate Finance Limited or for advising any other person on the Placing and other arrangements described in this document. SVS Securities plc is the Company's Broker and is a member of the London Stock Exchange and is acting exclusively for the Company in connection with the Placing. SVS Securities plc will not be responsible to anyone other than the Company for providing the protections afforded to customers of SVS Securities plc or for advising any other person on the Placing and other arrangements described in this document. This document does not constitute an offer of, or the solicitation of, an offer to subscribe for or buy Ordinary Shares to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation. In particular, this document is not for distribution in or into the United States of America, Canada, Australia or Japan. Accordingly, the Ordinary Shares may not, subject to certain exceptions, be offered directly or indirectly in or into the United States of America, Canada, Australia or Japan. The Ordinary Shares have not been and will not be registered under the United States Securities Act of 1933 (as amended). The whole text of this document should be read.

CONTENTS

DIRECTORS, SECRETARY AND ADVISERS

Directors	John David George Stickley *Joint Managing Director* Anthony Ffrancon Williams *Joint Managing Director* James Peter Benson *Finance Director* Stephen Martin Grey *Non-Executive Chairman*
Company Secretary	James Peter Benson
Registered Office Address	12 George Street Bath BA1 2EH Telephone: 08707 397 397
Nominated Adviser	ARM Corporate Finance Limited 12 Pepper Street London E14 9RP
Financial Adviser and Broker	SVS Securities plc 2 London Wall Buildings London Wall London EC2M 5PP
Auditors	Moore Stephens 30 Gay Street Bath BA1 2PA
Reporting Accountants	Moore Stephens LLP St Paul's House Warwick Lane London EC4M 7BP
Solicitors to the Placing	Irwin Mitchell 150 Holborn London EC1N 2NS
Solicitors to the Company	Withy King 5-6 Northumberland Buildings Bath BA1 2JE
Principal Bankers	Barclays Bank plc PO Box 1155 Chippenham SN15 3XR
Financial PR to the Company	Biddick Associates Limited Mercury House Triton Court 14-18 Finsbury Square London EC2A 1BR
Registrar & Receiving Agents	Neville Registrars Limited Neville House 18 Laurel Lane Halesowen West Midlands B63 3DA

PLACING STATISTICS

Placing Price	2 pence
Current Ordinary Shares in issue	73,333,334
Number of Placing Shares	65,000,000
Number of Ordinary Shares in issue following the Placing, assuming full subscription	146,561,469
Proportion of enlarged issued Ordinary Share Capital now being offered, assuming full subscription at the Placing Price	44.35%
Gross proceeds receivable by the Company pursuant to the Placing, assuming full subscription at the Placing Price	£1,300,000

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Subscription list for the Placing opens	7 July 2006
Date by which the Minimum Subscription must be received	26 July 2006
CREST accounts credited in respect of Placing Shares in uncertificated form	2 August 2006
Expected Admission and start of trading on AIM	2 August 2006
Date on which definitive share certificates are expected to be despatched under the Placing	16 August 2006

"1pm" or "the Business"	The trading company 1pm (UK) Limited (formerly 1pm Limited), incorporated in England and Wales with registration number 3681755 and the business conducted by it. 1pm (UK) Limited is a wholly owned subsidiary of 1pm plc;
"the Act"	The Companies Act 1985, as amended;
"Admission"	The admission of the Enlarged Share Capital to trading on AIM becoming effective in accordance with the AIM Rules;
"Admission Document"	This document;
"Agreement"	Minimum term hire agreement;
"AIM"	The Alternative Investment Market of the London Stock Exchange;
"AIM Rules"	The rules governing admission to and the operation of AIM, as published by the London Stock Exchange;
"ARM"	ARM Corporate Finance Limited, nominated adviser to the Company, which is authorised and regulated by the FSA;
"Articles"	The Articles of Association of the Company;
"Combined Code"	The Principles of Good Governance and Code of Best Practice prepared by the Committee on Corporate Governance, published in 2003.
"Company"	1pm plc, incorporated in England and Wales with registration number 5845866;
"CREST"	The relevant system (as defined in the CREST Regulations) for the paperless settlement of trades and the holding of uncertificated securities, operated by CRESTCo Limited, in accordance with the Uncertified Securities Regulations 2001 (SI 2001 No 3785);
"CRESTCo"	CRESTCo Limited;
"CREST Regulations"	The Uncertificated Securities Regulations 2001;
"Directors" or "Board"	The Board of Directors of the Company;
"Enlarged Share Capital"	The issued share capital of the Company immediately following the Placing;
"FSMA"	Financial Services and Markets Act 2000;
"Group"	The Company and all its subsidiaries, including 1pm (UK) Limited;
"IVA"	Individual Voluntary Arrangement;
"London Stock Exchange"	London Stock Exchange plc, incorporated in England and Wales with registration number 2075721;
"Nominal Rates"	The stated annual interest rate compounded periodically;
"Ordinary Shares"	Ordinary shares of £0.00068181817561983476709241120825081 each in the capital of the Company for brevity described as being of £0.0006818 each.
"Placees"	Those persons subscribing for the Placing Shares in the Placing at the Placing Price;
"Placing"	The conditional placing of the Placing Shares as described in this document, pursuant to the Placing Agreement;
"Placing Price"	The Placing price of 2 pence per Placing Share;
"Placing Shares"	The 65,000,000 Ordinary Shares available for Placing at the Placing Price;
"Prospectus Regulations"	The Prospectus Regulations 2005 issued under Part VI of FSMA;
"Receivables"	Total capital plus interest owed to the Business by its customers, payable over the lifetime of the Agreement;
"Shareholders"	Holders of Ordinary Shares;
"Small Ticket"	Transactions of a size ranging between £1,000 – £100,000;

"Sub-Prime Market"	Refers to businesses that may not be automatically approved by traditional finance companies for a variety of reasons, including time in business and an adverse credit history, making it more difficult for them to borrow money;
"SME"	Small and medium sized enterprises. Those businesses within the United Kingdom with fewer than 250 employees;
"SVS"	SVS Securities plc;
"UK"	The United Kingdom of Great Britain and Northern Ireland.

KEY INFORMATION

The following information is derived from and should be read in conjunction with the full text of this Admission Document.

The Company, through its wholly owned subsidiary 1pm (UK) Limited, is a high margin, asset finance company, which is trading profitably. The Company provides asset finance to the UK Sub-Prime and SME markets, primarily small owner managed businesses that are keen to purchase business assets, and where such financing will relieve pressure on their cash flow. Typically, the assets funded are essential to the running of the business such as: vans, trucks, machines and manufacturing plant. This is a growing, high margin sector within the UK. In 2006 (based on the Finance and Leasing Association's Q1 member only statistics) finance leasing for commercial vehicles, plant, machinery and equipment alone is estimated to be worth in excess of £11 billion in the UK, with the whole market worth in excess of £20 billion. Q1 2006 showed an increase of 14% in new leasing business, with plant, machinery and equipment leasing showing an increase of 23%.

1pm currently operates in a small sector within the Small Ticket market (deal size up to £100,000), which the Directors conservatively estimated to be valued at in excess of £500 million in 2005.

The Business has been trading since 2001 and operates a low overhead business, with 5 experienced and competent staff in addition to the Directors.

KEY ACHIEVEMENTS

- 1pm has achieved sustained lending growth over the last 5 years.
- The Business is profitable and has secured year on year profit growth, resulting in a pre-tax profit of £240,247 in the year ended 31 May 2006. This is 87.7% higher than in the previous year.
- The company has developed a successful UK network of broker contacts to generate business.
- In 2005, 1pm wrote 178 deals with an average deal size of just over £11,000.
- 2006 shows continuing growth, both in deal size (up to an average of £15,000) and numbers of deals.
- The Business has consistently achieved strong margin performance.
- 1pm has a consistent track record of minimising bad debt by implementing a robust arrears and collections policy.

KEY STRENGTHS

- **A finance company developed *by* Brokers *for* Brokers.**
- 1pm operates a tried and tested business model with a history of 5 years' successful trading.
- 1pm business model provides a low cost route to market via a network of UK finance brokers.
- 1pm leases to businesses where the Directors or Principals are homeowners (or takes homeowner guarantees) against essential business assets with strong residual values.
- The Directors insist on very high levels of customer service.
- Excellent business support and management systems are already in place and are designed to be able to grow with the business.
- Extensive senior management and trading experience in this market sector.
- An excellent level of staff training, experience and competence.

CLIENTS, PARTNERS & CUSTOMERS

- Approximately 97% of 1pm's transactions are referred by its network of brokers.
- 1pm has a database of more than more than 600 brokers (companies and individuals), of which 75 traded regularly with it in the last 2 years.
- 40% of 1pm's business is from limited companies and 60% from sole-traders and partnerships.
- In 2005, the Directors estimate that 1pm achieved a 20% conversion rate from proposal to transactions written. This conversion rate directly corresponds to the high level of financial due diligence conducted by 1pm prior to confirming a transaction, which ensures the Business manages its level of bad debt.

OPPORTUNITIES

- The market is estimated to have grown by 5% in 2005 and is expected to continue to grow; estimates suggest that total growth of 14% is expected in 2006.
- Increased business from a target group of 20 key brokers from 1pm's existing broker base.
- If 1pm secures only 5% of the combined turnover of these key brokers, this in itself would produce an increase of around 300% of 1pm asset finance turnover.
- Increased capital in 1pm should allow better loan rates from banks.
- Increased capital in 1pm should allow lending capacity to be increased significantly.
- An AIM listing will heighten the 1pm profile which the Directors believe will allow the Business access to a much broader range of lending providers.
- A modest increase in ticket size should produce greater profit.
- By accessing customers that do not have a wide range of other funding alternatives, higher rates of return are enjoyed.

KEY DIFFERENCES TO COMPETITORS

- 1pm works hard to understand the customer behind the request, and by doing so has developed a more comprehensive lending model that is based on more than just credit scoring.
- 1pm is unusual in that it underwrites transactions by speaking to the customer directly and negotiating with the customer.
- Its qualitative approach to lending decisions allows 1pm to write successful business within this niche area of the market.
- 1pm was founded by ex-finance brokers.

DETAILS OF THE PLACING AND REASON FOR FLOTATION

Up to 65,000,000 Ordinary Shares are being placed at a price of 2 pence per Placing Share, representing a total of 44.35% of the issued share capital of the Company immediately following the Placing (assuming full subscription). This will raise £1,300,000 gross of expenses for the Company. The Placing is conditional on Admission.

Following a successful placing, the Company will apply for admission to the AIM market. The proceeds of the funding will allow the Business to develop its lending book and provide additional working capital. The Directors believe that the introduction of significant capital, together with the AIM Admission, will allow the Company to raise significantly more money from new sources as well as its existing banks or lenders to develop its lending book. The increased level of equity capital should also allow the Company to negotiate better borrowing rates.

FINANCIAL INFORMATION

000's	Year Ended 31 May 2004	Year Ended 31 May 2005	Year Ended 31 May 2006
Turnover	371	577	795
Gross profit	160	318	471
Gross margin	*43.1%*	*55.1%*	*59.3%*
Operating profit	47	164	263
Operating margin	*12.7%*	*28.4%*	*33.1%*
Pre-tax profit	28	128	240

The investment described in this Admission Document may not be suitable for all of its recipients. Investors are accordingly advised to consult an investment adviser, authorised under the Financial Services and Markets Act 2000, who specialises in investments of this kind before making their decision. The Risk Factors are set out in full in Part Two of this document.

The Company, through its wholly owned subsidiary 1pm (UK) Limited, is an established niche asset finance company focused on high margin deals within the transport and machinery sectors. The founding Directors, who have 50 years of industry experience between them, have capitalised on an opportunity for an asset finance business offering a better service within the market. 1pm commenced trading in 2001. The founding Directors spent the three years prior to this designing the necessary procedures and systems to run the Business and conducting a trial lending period to prove the business model through a nominal lending book of £75,000. To date 1pm has been financed by the founding Directors and supported by borrowings. Since full time trading began, the Business has shown rapid organic growth and, by the Company's year end 2006, its leased asset turnover had grown to £2.1 million. The Company produced a record pre-tax profit level of £240,247 by the year ended 31 May 2006. This is 87.7% higher than in the previous year.

The Business is based in Bath and currently employs 5 full time staff in addition to the Directors. 1pm is an asset finance company which aims to provide flexible finance leasing options for SMEs to assist with the acquisition of business assets. It operates primarily within the Sub-Prime sector, assisting businesses to gain finance when they have been unsuccessful in dealing with clearing banks or traditional finance companies. The Sub-Prime market refers to businesses that may not be automatically approved by traditional finance companies for a variety of reasons, including time in business and an adverse credit history. Clearing banks and traditional finance companies are more reluctant to serve these customers, making it more difficult for them to borrow money. This market is not as well served as the Prime sector and typically finance providers are able to charge higher rates and enjoy higher margins. 1pm mitigates the risk from lending in the Sub-Prime sector by performing extensive financial due diligence before agreeing to a transaction; the Business also secures the loan against assets and primarily leases to businesses where it can take additional security such as a homeowner guarantee. In this way 1pm often finds that a transaction initially perceived to be a bad credit risk is actually of good or neutral risk. The Directors pride themselves on their innovative business model that facilitates maximum margins while minimising risk.

1pm's key objectives are to position itself as a leading Small Ticket asset finance provider and to increase its Receivables from £3.5 million to £12 million within the next 3 years.

BUSINESS MODEL

1pm utilises what the Directors consider to be a more intelligent lending model which entails evaluating each transaction in detail. The 1pm team consists of highly trained personnel who are able to think and act within guiding parameters. This is in contrast to other lenders, who the Directors believe utilise lower skilled workers reading from a screen and script. Staff are trained to appreciate and understand the customer and the business making the request. This has enabled the Company to develop a more comprehensive lending model which the Directors consider has been a key factor in 1pm minimising bad debt. Taking this detailed approach to lending decision making allows 1pm to write business within this niche area of the market that is not as well served by traditional financing companies. 1pm mitigates its risk by predominantly leasing to homeowners and securing its leases against assets with good residual value. In some cases it also takes second charges on domestic property. The Agreements are for up to 36 months and all capital and interest are repaid in equal monthly instalments. Exposure to any single business is relatively small compared with the overall Receivables.

1pm has a large network of UK brokers (more than 600) who source and refer potential lending opportunities known as 'proposals'. The broker receives a commission for proposals that result in a successful leasing contract. The Company primarily acts through broker proposals and does not market direct to businesses; however it does enjoy a good level of repeat business (almost 11%) from satisfied customers. Using independent broker proposals, in return for per-deal commission rates, provides 1pm with a low cost route to market while maintaining access to a large pool of SMEs. The brokers are motivated to pass business to 1pm ahead of its competitors due to 1pm's reputation for maintaining high quality customer relationship management. Furthermore, in contrast with many lenders, 1pm appreciates that all of its brokers, irrespective of their company size or average proposal value, provide valuable business for 1PM and accordingly are treated as valued clients. Through the Directors' own experience as brokers, they recognise that by affording brokers the courtesy and respect they deserve it strengthens their loyalty to 1pm and is likely to increase the level of business received from them in the future. 1pm always speaks to potential customers directly about their application. In addition to strengthening the quality of the lending decision, this is often perceived by brokers as reflecting positively on their own business, improving the likelihood of them receiving commission for a successful transaction, as well as enabling them to provide a higher level of service and further develop their customer base as a consequence. All of these attributes increase the brokers' loyalty to 1pm.

1pm is able to borrow approximately 75% of the amount advanced on each transaction, from various banks and financial institutions including Singer & Friedlander and Hitachi Capital. The balance is provided by 1pm from its capital resources and reserves. The interests of these banks and institutions are protected by performing monthly or quarterly audits on their respective loan security. This has resulted in the Company working within a highly disciplined lending environment since its inception. As the Company increases its capital base, it will be able to significantly increase its borrowing capabilities, enabling it to extend its lending book. It is the Directors' belief that the introduction of significant capital will allow the Company to raise significantly more money, at better rates, from new sources as well as its existing banks and lenders.

SALES AND GROWTH PLAN

Over the initial years of trading, the Directors of 1pm have grown the business steadily, increasing lending capacity and returns. 1pm's pre-tax profit increased to £240,247 in the year ended 31 May 2006. This is 87.7% higher than in the previous year. The current level of leased asset turnover (£2.1 million) represents the limit of company growth under the existing capital structure. The immediate sales strategy is to increase business from current brokers. 1pm has now classified each of the more than 600 brokers on its database into one of two categories: core brokers and non core brokers. A non-core broker is defined as a smaller broker providing infrequent levels of business. To be invited to become one of 1pm's core brokers, the broker must be able to provide regular and sustained business levels of around £50,000 per month. As an example, this might represent 4 successful transactions for an average ticket size of £12,500 resulting from a total of 20 proposals put forward by the broker per month. Where possible, it is the Directors' intention to formalise these expectations through a core broker contract. 1pm only needs to secure 5% of the combined turnover of 20 core brokers, to produce a significant increase in its asset finance turnover.

There are 5 key facets to the Company's intended growth plan:

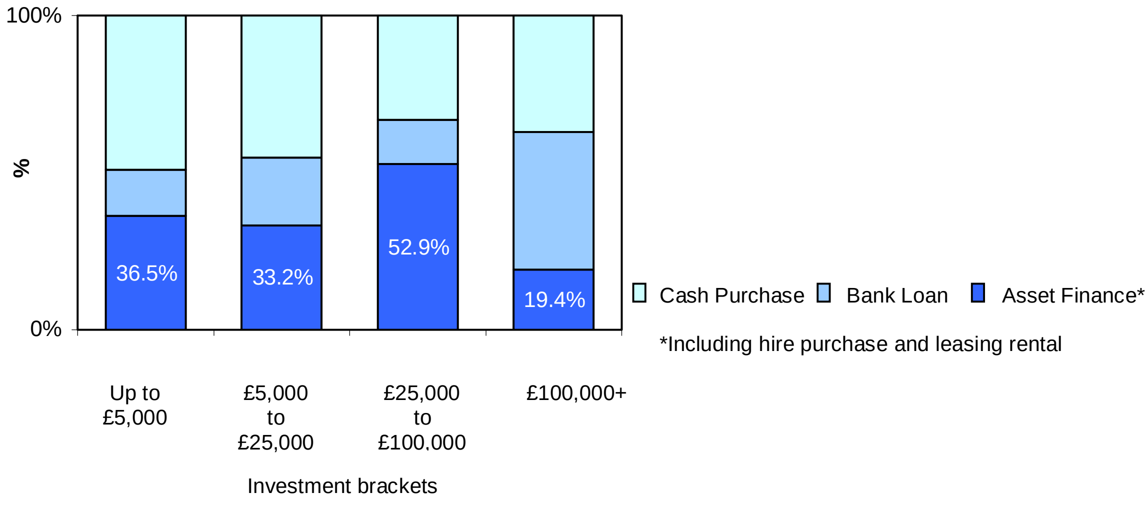
- Increase core broker numbers
- Increase volume of business from core brokers
- Increase and maintain ongoing contact with non-core brokers
- Increase ticket size
- Increase base capital to facilitate higher levels of borrowing and develop the lending book..

The Directors have already identified 20 core brokers with the ability to provide in the region of £50,000 of business on a monthly basis. Currently the key restraining factor on the Business achieving its projected growth is its level of base capital, which is used to leverage borrowings in order to develop its lending book The capital currently being sought will enable the Business to take advantage of the core brokers it has already identified and the level of business that they can provide. In the future, as the Business continues to grow and develop, it may again be appropriate to increase the Company's base level of capital.

The examples below indicate the impact the expected levels of business from core brokers could have on 1pm's lending book. Even with a conservative estimate of the level of business provided by each core broker the Company would be able to demonstrate a significant increase in the size of its lending book, while the addition of more core brokers over time shows the vast potential for 1pm's future.

Example 1:	20 core brokers give £25,000 per month = £500,000 per month This equates to a lending level of £6 million per year
Example 2:	20 core brokers give £40,000 per month = £800,000 per month This equates to a lending level of £9.6 million per year.
Example 3:	**20 core brokers provide £50,000 per month = £1 million per month** **This equates to a lending level of £12 million per year**
Example 4:	25 core brokers provide £50,000 per month = £1.25 million per month This equates to a lending level of £15 million per year
Example 5:	50 core brokers provide £50,000 per month = £2.5 million per month This equates to a lending level of £30 million per year.

Over time, and as its lending book grows, 1pm will gradually increase the average ticket size (i.e. the average amount advanced on a single transaction). The graph below demonstrates the financing options preferred by UK SMEs based on the level of capital investment required by the business. As can be seen, asset finance is the preferred option for companies with capital requirements ranging from £25,000 to £100,000. A key reason for 1pm increasing its average ticket size is to enable it to transact more business within this band, ensuring that it enhances its opportunities within this highly lucrative sector of this market.



Source: Finance Leasing Association (FLA) "SMEs and Capital Investment" report of November 2005

MANAGEMENT SYSTEMS AND CONTROLS

Excellent standards of business recording and broker information are provided via a bespoke integrated database software solution, the Customer Relationship Management system (CRM). CRM has been purpose built for 1pm and was installed during 2005. The software has revolutionised the way 1pm handles its business and combines all stages of deal handling and processing into a single, easy to use software package.

The Company also utilises a lease accounting software system called TRIPP developed and supported by Tritech Systems Limited. This system is used by a number of asset finance lenders.

Advantages of CRM:

- CRM covers all aspects of 1pm's interaction with brokers and customers.
- The status of proposals and deals can be quickly and easily viewed and developments added or changed.
- The system provides continued recording of the deal from the initial contact and introduction from the broker, to conversations with customers and automatic creation of standard documentation.
- Document access is available for both the customer and the broker through the 1pm website.
- Additional access is given to brokers so they can check the progress of their deals via a deal tracking facility.
- CRM also takes information from the accounting system (TRIPP) to enable staff to monitor easily the finance information and payment status on each transaction.
- A system has been included whereby automatic notifications are given to staff when a customer misses a payment date. This is also coupled with an added benefit of automatically printing customer specific notification and arrears letters.
- CRM has been built specifically for 1pm's business.

It is the Director's belief that CRM benefits the Business by streamlining the decision making process and by acting as a management tool to assist the Directors. The system is secure and web-based with an off-site backup. TRIPP is also backed up regularly enabling its data also to be stored securely off-site.

MARKETING STRATEGY

It is the Director's intention that the delivery of the growth strategy will be supported by an enhanced marketing drive. 1pm has already commenced the implementation of this plan.

The marketing plan encompasses all of the following:

- Individual sales plans for each core broker.
- Appointing a marketing and PR agency to increase awareness of 1pm in the market.
- Instigating and maintaining regular telephone and face-to-face contact with core brokers.
- Establishing regular telesales contact with non-core brokers to promote their awareness of 1pm.
- The continuation of a broker audit scheme that utilises management information which the Director's believe will facilitate effective broker relationships and an understanding of 1pm's competitive position.

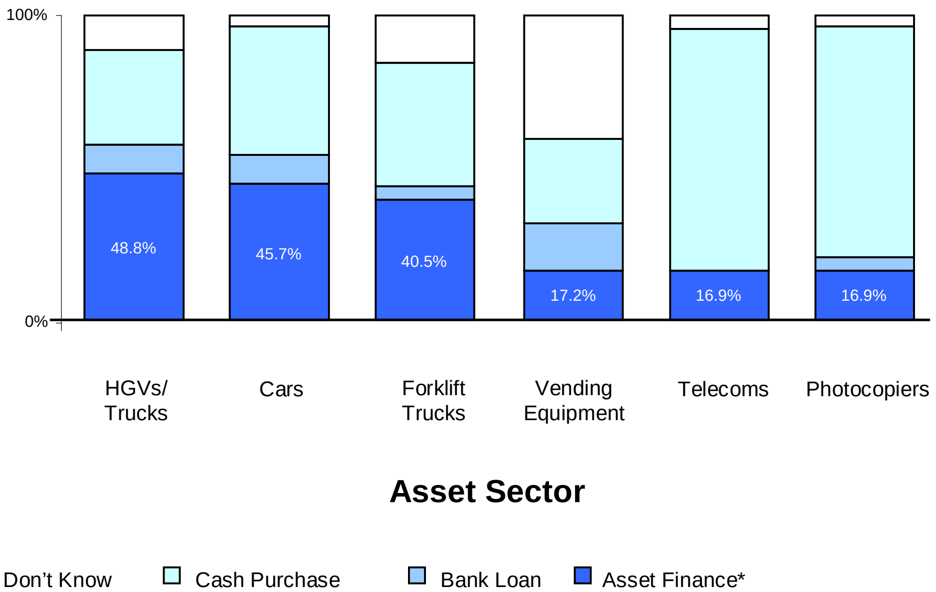
The Market

In 2006 (based on the Finance and Leasing Association's Q1 member only statistics), finance leasing for commercial vehicles, plant, machinery and equipment alone is estimated to be worth in excess of £11 billion in the UK, with the whole market worth in excess of £20 billion. Q1 2006 showed an increase of 14% in new leasing business, with plant, machinery and equipment leasing showing an increase of 23%.

Research by the Finance and Leasing Association found that over two thirds of SMEs plan to make capital investments in the next 12 months, with businesses spending between £25,000 and £100,000 favouring asset finance more than any other type of finance. 1pm currently lends between approximately £5,000 and £50,000.

The chart below shows the 7 most popular asset types with SMEs, which are financed with asset financing. The most frequent use for asset finance is commercial vehicle purchase – the prime sector for 1pm.

SME financing preferences split by asset sector, 2005



*Including hire purchase and leasing rental

Source: Finance Leasing Association's (FLA) "SMEs and Capital Investment" report of

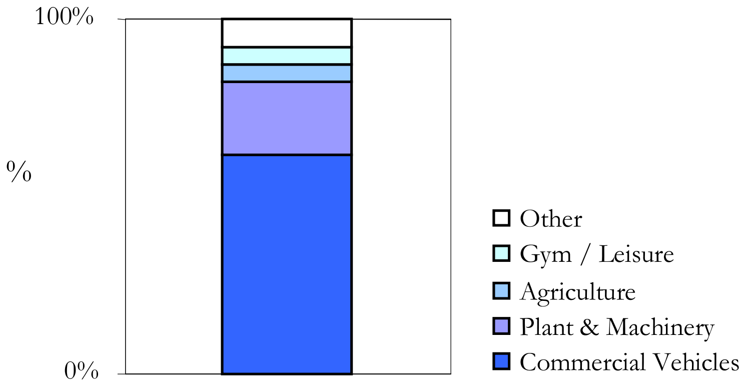
The National Association of Commercial Finance Brokers (NACFB) estimates that there are approximately 2000 asset finance brokers in the UK and a further 1,500 vehicle finance brokers. It is the Directors belief that the total number of brokers in the UK is much higher (potentially double) than these figures suggest.

Customers

1pm deals primarily with SMEs that are planning to purchase business assets to relieve pressure on their cash flow. This is why the Directors believe that 1pm's offerings appeal to its customers.

In 2005, the Directors estimate that 1pm achieved a 20% conversion rate from proposal to transactions written. This conversion rate corresponds to the high level of financial due diligence conducted by 1pm prior to confirming a transaction which ensures the Business manages its level of bad debt.

1pm predominantly provides asset financing within the transport and machinery sectors, with 62% of its customers requiring finance for commercial vehicles. As can be seen by the graph these are the most common assets requiring finance.



Source: 1pm CRM system, 2006

COMPETITION

It is the Director's belief that Competition within the sector is fragmented and the key lenders tend to adopt a formulaic approach to their lending decisions; this contrasts with the business model operated by 1pm. The management believe that there are high barriers to entry for a small finance company, most particularly the level of capital required to commence lending and also the detailed knowledge of the sector that is required, including an understanding of transaction sourcing, risks and pricing.

1pm has identified approximately 25 close competitor companies which the Director's believe bear the following attributes:

- They finance the same asset types as 1pm.
- Their main route to market is via brokers.
- They are small ticket lenders, up to c.100k asset value.
- They will look at Sub-Prime deals.

1pm's estimate of the value of new business written in 2006 by the competitors within its niche market sector is approximately £500 million. The Directors believe there are considerable growth opportunities in the fast moving market.

It is the Director's belief that 1pm's key differences to competitors are:

- 1pm works hard to understand the customer behind the request, and by doing so has developed a more comprehensive lending model that is based on more than just credit scoring.
- 1pm is very rare in that it underwrites transactions by speaking to the customer directly and negotiating with the customer.
- Its qualitative approach to lending decisions allows 1pm to write successful business within this niche area of the market.
- Traditional finance companies have been in the past unhelpful to brokers, and at worst dismissive; this means 1pm experiences greater loyalty from brokers.
- 1pm was founded by ex-finance brokers who understand the broker mentality and requirements.
- 1pm treats brokers as valued clients.

KEY DIRECTORS

The founding Directors combine a track record of successful entrepreneurship with a depth of market experience, as well as operational skill and marketing and sales skills. Both owners are creative and innovative entrepreneurs. This is demonstrated by their past achievements. John introduced one of the first online leasing facilities in the UK, while Tony was amongst the first brokers to have his own significant book of receivables.

Stephen Martin Grey, Non Executive Chairman *aged 52*

Stephen is a versatile Operations Director with 25 years of success at board level. He has substantial international experience, having worked extensively in Europe, the USA and India. Stephen's career to date has been predominantly in business to business finance and banking, developing and delivering strategies for operations functions such as application processing, credit and risk, key account management, arrears collections and customer service. Most recently (2001-2005) Stephen was with Abbey Business, the business finance division of Abbey National plc, where he was employed as the Operations and Customer Service Director and was responsible for providing a range of services to SMEs including: business banking, small and medium ticket asset finance, commercial mortgages and factoring. Stephen held a number of positions (from 1986-2001) with GE Capital European Equipment financing, including: European Outsourcing Leader, European Operations Manager and UK Operations Director. The Company is actively searching for a suitable person to fill the position of Chairman, until such time as a permanent Chairman is recruited, Stephen will act in this capacity.

John David George Stickley, Managing Director *aged 54 years*

In 1998 John commenced development of the business that became 1pm, alongside Tony Williams. John has been involved in the leasing market for over 23 years and is highly adept at growing profitable businesses.

John began trading as a finance broker in 1983 after a successful sales career at Anglo Leasing, a leading sales aid leasing company. After the 1984 Budget and the Capital Allowances reductions, John predicted a major increase in computer systems leasing. To address this opportunity, he formed Armour Leasing and Finance Ltd. to provide sales aid leasing facilities for computer suppliers at the small ticket end of the market. At the time, this was an area largely neglected by the established leasing companies and, with the predicted rise in demand for computer leasing turning into a boom, soon proved to be a shrewd marketing decision as Armour successfully filled the gap in the market. John expanded the operation from three staff and an annual turnover of £300,000 in 1983/1984 to 30 staff and an annual turnover of £5 million in 1989/1990.

In common with the rest of the small ticket market sector in the UK, Armour's activities were affected by the recession of the early 1990's and the company was put into voluntary liquidation. In 1990/1991, John formed Leasing Network, a smaller broking operation, and also acted as a consultant to various asset finance businesses. With his strong background in operational and human resource management and system implementation, John helped set up the operational and system structures for several companies, including Information Technology Rentals Ltd. (leasing brokers) in 1995. In 1998 with Leasing Network he introduced one of the first online leasing facilities in the UK, including Transaction Tracking and a Lease Quote Generator.

Anthony Ffrancon Williams, Managing Director *aged 49*

Tony has worked in leasing for 24 years, having trained initially with Lombard in 1979.

In 1985, he joined the Corporate Finance department of the Forward Trust Group, and as Assistant Manager moved to the Supplier Sales Aid Schemes department. He worked on the development of schemes such as Yale Forklift Trucks, which produced leasing to the value of £10 million per year.

Tony joined Concord Leasing in Brentford in 1987 as a Manager in the Credit department, making credit decisions on leasing deals up to £250,000. He was involved in lending to the printing and graphic arts sector and was also involved in large (£1m plus) deals, where an operating lease structure was required in order to classify the deals as 'off balance sheet' in the customers' accounts.

In 1989, Tony formed Logilease Asset Finance South Ltd. which traded as Asset Finance Professional, a finance brokerage. He was involved in sourcing print finance deals in the £50,000 to £5,000,000 range and negotiated the finance deal with the printing company and bank. In the period between 1991 and 1994, Tony wrote his own book of leases for equipment and machinery deals ranging between £5,000 and £20,000, developed using bank facilities.

Tony continued broking until 1998, when he commenced development of the business that became 1pm, alongside John Stickley.

James Peter Benson, Finance Director *aged 54*

James is a highly experienced financial director with over 35 years in finance. He is commercially orientated with strong management, financial and strategic planning skills.

James qualified with Ernst & Young and since then has held senior financial positions with a number of public companies including: Inchcape plc, Allied Domecq plc, and more recently as Finance Director with Rolfe & Nolan plc, Hardy Amies plc and FishWorks plc.

Key Management

Maria-Louise Hampton, Operations Manager *aged 28*

Maria came to 1pm after an extensive background in administration and operations. Previously she was involved in the office support section for a company providing security systems in prisons and secured units. Maria has been with 1pm for over three years and has been instrumental in developing 1pm's business procedures and the system for dealing with arrears and litigation.

Angela Jennifer Callander, Business Development Manager, *aged 27*

Angela has had several years' experience in the customer service environment and joined 1pm from Virgin Mobile. Prior to this she worked in the customer service department of TXU Energi, where she was responsible for maintaining and developing customer relations. Over the last two years Angela has been instrumental in developing and growing the 1pm business portfolio.

EMPLOYEES

The Directors of 1pm understand the importance of hiring and training the right staff. New employees are trained and developed in all aspects of the business, and not just the area in which they will be principally working. Training and development continues throughout the employment term. In addition to the bonus payments received by the sales force, all staff are incentivised through a twice yearly bonus that is closely linked to the Company's performance. The Directors believe that this has had a material impact on the Company and is responsible for its highly motivated, efficient and multi-skilled employees who are capable of delivering the same results as a company with twice the headcount.

CORPORATE GOVERNANCE

The Company intends to develop appropriate measures to ensure that it will (as far as practical, having regard to its size) comply with the spirit of the Combined Code.

The Company has adopted and will operate a share dealing code for Directors and employees under the terms recommended by AIM.

The Board has established a remuneration committee and an audit committee. The Non-Executive Chairman, Mr Stephen Grey, is Chairman of the audit committee and the remuneration committee. The committees have duties and responsibilities formally delegated to them by the Board.

The audit committee is primarily responsible for ensuring that the financial performance of the Company is properly measured and reported on and for reviewing reports from the auditors relating to the Company's accounting and internal controls and for reviewing the effectiveness of the Company's systems of internal control.

The remuneration committee is primarily responsible for monitoring and approving all elements of the executive Directors' remuneration, as well as their performance management.

LOCK-IN ARRANGEMENTS

The Directors have undertaken not to dispose of 95% of their aggregate holdings, being 69,904,167 shares in the Company (which equates to 48% of the fully diluted share capital), for a minimum period of twelve months following Admission, except in the very limited circumstances allowed by the AIM Rules. The Directors have also undertaken that for a period of twenty four months, they will only sell their shares through the Company's Broker, and only with the agreement of the Company's Broker and Nominated Adviser. Any sale of shares during this period will be facilitated through SVS.

DIVIDEND POLICY

In the absence of any unforeseen circumstances, it is the Company's intention to propose a dividend, from funds lawfully available, at the earliest opportunity that the Directors believe to be appropriate, which is expected to be in the next 24 months. No Dividend will be payable for the current financial year.

DETAILS OF THE PLACING

The existing shareholders will be retaining all their current Ordinary Shares following the Placing. The Company is raising £1,300,000 (gross of expenses) through the placing of up to 65,000,000 new Ordinary Shares at the Placing Price of 2 pence per Placing Share with investors. The Placing Shares will represent approximately 44.35% of the Enlarged Ordinary Share Capital of the Company on Admission.

The Placing Shares will, following allotment, rank *pari passu* in all respects with the existing issued Ordinary Shares and will have the right to receive all dividends and other distributions subsequently declared, made or paid in respect of the issued Ordinary Share capital of the Company.

The Placing is conditional, *inter alia,* on Admission and raising £1,300,000 through the Placing. Dealings in the Ordinary Shares are expected to commence on 26 July 2006.

SHARE OPTION SCHEMES

In order to retain and motivate new Directors and key employees, the Company intends to offer its own share option scheme in the future offering no more than 15% of the issued share capital of the Company, at no less than the Placing Price.

REASONS FOR THE FLOTATION AND USE OF PROCEEDS

Following a successful placing, the Company will apply for admission to the AIM market. The proceeds of the funding will allow the Business to develop its lending book and provide additional working capital. The Directors believe that the introduction of significant capital, together with the AIM Admission, will allow the Company to raise significantly more money from new sources, as well as its existing banks or lenders, to develop its lending book. The increased level of equity capital should also allow the Company to negotiate better borrowing rates with higher levels of gearing.

The Company is seeking Admission to AIM in order to widen its investor base and to have access to equity capital markets. The Placing will raise £1,300,000 before expenses for the Company (assuming full subscription at the Placing Price).

The Directors consider that, taking into account the net proceeds of the Placing, the Group will have sufficient working capital for at least the next twelve months from Admission.

PART TWO: RISK FACTORS

The attention of prospective investors is drawn to the fact that ownership of shares in the Company will involve a variety of risks which, if they occur, may have a materially adverse effect on the Company's business or financial condition, results or future operations. In such case, the market price of the Ordinary Shares could decline and an investor might lose all or part of his or her investment.

In addition to the information set out in this document, the following risk factors should be considered carefully in evaluating whether to make an investment in the Company. The following factors do not purport to be an exhaustive list or explanation of all the risk factors involved in investing in the Company and they are not set out in any order of priority. In particular, the Company's performance might be affected by changes in market and/or economic conditions and in legal, regulatory and tax requirements. Additionally, there may be further risks of which the Board are not aware or believe to be immaterial which may, in the future, adversely affect the Company's business and the market price of the Ordinary Shares.

Before making a final investment decision, prospective investors should consider carefully whether an investment in the Company is suitable for them and, if they are in any doubt, should consult with an independent financial adviser, authorised under the Financial Services and Markets Act 2000, who specialises in advising on the acquisition of shares and other securities.

- Management and employees

  The Company's success depends on its management and employees and on its ability to continue to attract and retain highly skilled and qualified personnel. There can be no assurance that the Company will retain the services of any of its Directors, or attract or retain any senior managers or skilled employees. The departure from the Company of any executive Director or certain senior employees could, in the short term, have a materially adverse effect on the Company's business. Whilst the Company has entered into service agreements or contracts of employment with Directors and senior employees with the aim of securing their services, the retention of their services cannot be guaranteed. Conditional upon Admission, the Directors intend to take out key man insurance for key management.

- Competition

  <u>Increased Competition</u>
  It is possible that companies other than the Company may have projects which are not known to the Company, and which could render the Company's services less competitive or obsolete. New entrants to the sector may emerge and competitors may develop more effective and more cost-competitive services than, or may produce products superior to, those of the Company.

  <u>Competitive Threats</u>
  The asset finance market has several similar sized companies to 1pm. While the management believe that there are high barriers to entry for a small finance company, most particularly the level of capital required to commence lending and the detailed knowledge of the industry, it is possible that in the future the number of companies operating in this sector could increase.

- Third Party Service Providers

  Much of the Company's lending ability is facilitated through its banks. Changes in key relationships within these banks, change of strategic direction by the banks, economic and other business circumstances could all have an adverse effect.

- Legal and regulatory matters

  <u>Changes in Legislation or regulation</u>
  The Company is not currently subject to an onerous degree of regulation or legislation. Nonetheless, change in or extensions of laws and regulations affecting the industry in which the Company operates and the rules of industry organisations could restrict or complicate the Company's business activities, with the potential to significantly increase compliance / legal costs.

- Marketability

  Investment in shares traded on AIM carries a higher degree of risk than an investment in shares quoted on the Official List. The share prices of public companies, particularly those operating in high growth sectors, are often subject to significant fluctuations. Following Admission, the market price of the Ordinary Shares may be volatile and an investor may receive less than the amount originally invested on a sale of his or her Ordinary Share in the market. The sale of the Company's shares may be illiquid and it may be difficult for an investor to sell his or her Ordinary Shares.

  The Company's Ordinary Shares are intended for capital growth and therefore may not be suitable as a short-term investment. Consequently, the Company's Ordinary Shares may be difficult to buy and sell and may be subject to greater fluctuations. Investors may therefore not realise their original investment.

  Furthermore, the market price of the Ordinary Shares may not reflect the underlying value of the Company's assets.

The investment opportunity offered in this document may not be suitable for all recipients of this document. Investors are therefore strongly recommended to consult an investment adviser, authorised under the Financial Services and Markets Act 2000, who specialises in advising on investments of this nature, before making their decision to invest.

THREE-YEAR HISTORICAL RESULTS

000's	Year Ended 31 May 2004	Year Ended 31 May 2005	Year Ended 31 May 2006
Turnover	371	577	795
Gross profit	160	318	471
Gross margin	*43.1%*	*55.1%*	*59.3%*
Operating profit	47	164	263
Operating margin	*12.7%*	*28.4%*	*33.1%*
Pre-tax profit	28	128	240

MOORE STEPHENS
CHARTERED ACCOUNTANTS

The Directors
1pm plc
12 George St
BATH
BA1 2EH

St Paul's House
Warwick Lane
London EC4M 7BP

27 July 2006

The Directors
ARM Corporate Finance Ltd
12 Pepper St
LONDON
E14 9RP

Dear Sirs

1pm (UK) Limited (formerly 1pm Limited) ("the Company")

We report on the financial information set out below. This financial information has been prepared for inclusion in the AIM admission document proposed to be dated 27 July 2006 ("the Admission Document") issued by 1pm plc. This report is required by Schedule Two of the AIM Rules and is given for the purpose of complying with that schedule and for no other purpose.

Basis of preparation

The financial information set out below is based on the audited financial statements of the Company for the years ended 31 May 2004, 2005 and 2006 (the "Financial Statements"). The Financial Statements have been independently audited by Moore Stephens, Bath, Chartered Accountants.

The financial statements have been drawn up in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial information set out below does not constitute statutory accounts within the meaning of Section 240 of the UK Companies Act 1985 (as amended).

No financial statements for the Company have been prepared or presented to the members of the Company for any period since 31 May 2006.

Audit Qualifications

A qualified audit report has been issued in respect of the years ended 31st May 2004 and 31st May 2005 as set out below; the audit report on the financial statements for the year 31st May 2006 was unqualified.

<u>31st May 2004</u>

"As discussed in Note 17 to the Financial Statements dividends were paid which exceeded the lawfully distributable profits. The sum by which the dividends exceed the distributable profit is £90,972 and under the Companies Act 1985 s277 the members would be liable to repay that dividend where they had reasonable grounds for believing it was excessive. The members have repaid the dividend after the year end.

In our opinion except for the effect on the financial statements of the above dividends, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st May 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

31st May 2005

"As discussed in Note 18 to the Financial Statements dividends were paid which exceeded the lawfully distributable profits. The sum by which the dividends exceed the distributable profit is £96,000 and under the Companies Act 1985 s277 the members would be liable to repay that dividend where they had reasonable grounds for believing it was excessive. The members have repaid the dividend after the year end.

In our opinion except for the effect on the financial statements of the above dividends, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st May 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

Responsibilities

The directors of the Company are responsible for preparing the financial information on the basis of preparation set out in Note 1 to the financial information and in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

It is our responsibility to form an opinion on the financial information, as to whether the financial information gives a true and fair view for the purposes of the Admission Document, and to report our opinion to you.

Basis of Opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgements made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement, whether caused by fraud or other irregularity or error.

Opinion

In our opinion, subject to the qualifications set out above relating to the year ended 31 May 2004 and 31 May 2005, the financial information gives, for the purposes of the Admission Document, a true and fair view of the state of affairs of the Company as at 31 May 2006 and of its profits, cash flows, recognised gains and losses for the periods then ended in accordance with the basis of preparation set out in note 1 to the financial information and in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), as described in note 1 to the financial information, and has been prepared in a form that is consistent with the accounting policies adopted in the Company's latest annual accounts.

Declaration

For the purposes of paragraph (a) of Schedule Two of the AIM Rules, we are responsible for this report as part of the Admission Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Schedule Two of the AIM Rules.

Yours faithfully,

Moore Stephens LLP
Chartered Accountants,
Registered Auditors

Profit and Loss Accounts

	Note	Year ended 31 May 2004 £	Year ended 31 May 2005 £	Year ended 31 May 2006 £
Turnover		370,970	576,617	794,664
Cost of sales		(211,152)	(258,884)	(323,480)
Gross Profit		159,818	317,733	471,184
Administrative expenses:				
Staff costs	*3*	(46,701)	(82,001)	(115,175)
Premises costs		(15,265)	(17,418)	(19,775)
Other administrative expenses		(50,985)	(54,713)	(73,516)
Operating profit	*2*	46,867	163,601	262,718
Interest payable and similar charges		(19,074)	(35,590)	(22,471)
Profit on ordinary activities before taxation		27,793	128,011	240,247
Tax on profit on ordinary activities	*5*	(5,532)	(22,827)	(45,647)
Profit for the financial year after taxation		**22,261**	**105,184**	**194,600**

All of the activities of the company are classified as continuing.

Statement of total recognised gains and losses

	Note	Year ended 31 May 2004 £	Year ended 31 May 2005 £	Year ended 31 May 2006 £
Profit for the financial year attributable to shareholders		22,261	105,184	194,600
Prior Year Adjustment	*7*	(107,165)	-	-
Total gains and losses recognised since the last annual report		**(84,904)**	**105,184**	**194,600**

Balance sheets

	Note	As at 31 May 2004 £	As at 31 May 2005 £	As at 31 May 2006 £
Fixed assets				
Tangible fixed assets	*8*	3,240	7,058	18,400
Current assets				
Debtors due within one year	*9*	734,067	998,811	1,338,446
Debtors due after one year	*9*	395,040	1,063,155	1,401,771
Cash at bank and in hand		105	1,017	942
		1,129,212	2,062,983	2,741,159
Creditors: amounts falling due within one year	*10*	(585,682)	(1,098,172)	(1,454,381)
Net current assets		543,530	964,811	1,286,778
Total assets less current liabilities		546,770	971,869	1,305,178
Creditors: amounts falling due after more than one year	*11*	(452,993)	(868,908)	(1,040,084)
Provisions for liabilities: deferred taxation	*13*	-	-	(694)
		93,777	**102,961**	**264,400**
Capital and reserves				
Called up share capital	*16*	264,400	264,400	264,400
Profit and loss account	*17*	(170,623)	(161,439)	-
Shareholders' funds	*18*	**93,777**	**102,961**	**264,400**

Cash Flow Statements

	Note	**Year ended 31 May 2004 £**	**Year ended 31 May 2005 £**	**Year ended 31 May 2006 £**
Net cash outflow from operating activities	*19a*	(220,706)	(268,576)	(207,101)
Returns on investments and servicing of finance	*19b*	(19,074)	(35,590)	(22,471)
Taxation	*19c*	1,515	805	(35,000)
Capital expenditure and financial investment	*19d*	(2,534)	(6,540)	(19,311)
Equity dividends paid	*6*	(90,972)	(96,000)	(33,161)
Cash outflow before financing	*20*	(331,771)	(405,901)	(317,044)
Financing	*19e*	325,836	416,978	171,176
(Decrease) / increase in cash	*21*	**(5,935)**	**11,077**	**(145,868)**

Notes to the financial statements

1. Accounting policies

Basis of accounting
The financial statements have been prepared under applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Leased assets and turnover
Assets leased to customers on finance leases are excluded from the fixed assets of the company, and are reported as a debtor in the Balance Sheet. Receipts from finance lease contracts contain a capital element which reduces the debtor and an interest charge which is credited to revenue using the "rule of 78". In addition 5% of total interest charges are credited to revenue in the year of inception of each lease to cover initial administration costs.

Funding creditors and cost of sales - interest
Finance received from funding providers is classified as creditors in the Balance Sheet. Payments to the funding providers contain a capital element which reduces the creditor and an interest charge is debited to the cost of sales using the "rule of 78".

Fixed assets
All fixed assets are recorded at cost on acquisition.

Depreciation
Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows: Fixtures and Fittings - 25% on cost

Operating lease agreements
Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

Pension costs
The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Financial instruments
Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Provision for doubtful debts
Provision is made for contracts in arrears after taking into account expected recovery proceeds. All outstanding amounts on contracts passed to collection agents are written off in full, less subsequent recovery proceeds.

2. Operating profit

Operating profit is stated after charging:

	Year ended 31 May 2004 £	Year ended 31 May 2005 £	Year ended 31 May 2006 £
Depreciation of owned assets (Note 8)	1,302	2,722	7,969
Auditors' remuneration – audit fees	3,200	3,000	4,200
Operating lease costs - other	11,500	11,500	16,581

3. Employees

(i) The average number of staff employed by the company during the financial year was:

	Year ended 31 May 2004	Year ended 31 May 2005	Year ended 31 May 2006
Number of administrative staff	2	2	3
Number of management staff	3	4	4
	5	**6**	**7**

(ii) The aggregate payroll costs incurred in respect of these employees were:

	Year ended 31 May 2004 £	Year ended 31 May 2005 £	Year ended 31 May 2006 £
Wages and salaries	43,198	75,830	95,009
Social security costs	3,503	6,171	8,417
Defined contribution pension costs	-	-	11,749
	46,701	**82,001**	**115,175**

4. Directors

The directors' aggregate emoluments in respect of qualifying services were:

	Year ended 31 May 2004 £	Year ended 31 May 2005 £	Year ended 31 May 2006 £
Aggregate emoluments	1,713	10,854	11,754
Value of company pension contributions to money purchase schemes	-	-	4,500
	1,713	**10,854**	**16,254**
The number of directors who accrued benefits under company pension schemes was	**-**	**-**	**2**

5. Taxation

a) Analysis of charge in the year:

	Year ended 31 May 2004 £	Year ended 31 May 2005 £	Year ended 31 May 2006 £
Current tax - UK corporation tax based on the results for the year at 19%	16,539	37,171	3,683
Deferred tax: origination and reversal of other timing differences (Note 13)	(11,007)	(14,344)	41,964
Tax on profit on ordinary activities	**5,532**	**22,827**	**45,647**

b) Factors affecting current tax charge:

The tax assessed on the profit on ordinary activities for the year is different to that resulting from applying the standard rate of corporation tax in the UK of 19%. The differences are explained below:

	Year ended 31 May 2004 £	Year ended 31 May 2005 £	Year ended 31 May 2006 £
Profit on ordinary activities before tax	27,793	128,011	240,248
Profit on ordinary activities by rate of tax	5,568	24,322	45,647
Effects of:			
Expenses not deductible for tax purposes	(37)	-	-
Capital allowances in excess of depreciation	(63)	(97)	(154)
Movement in short term timing differences	11,071	12,946	(41,810)
Total current tax charge	**16,539**	**37,171**	**3,683**

6. Dividends

	Year ended 31 May 2004 £	Year ended 31 May 2005 £	Year ended 31 May 2006 £
Equity dividends paid on ordinary shares	**90,972**	**96,000**	**33,161**

The dividend shown above in respect of the year ended 31 May 2006 is after the repayment of dividends of £120,590, to replace excess dividends from earlier periods.

7. Prior Year Adjustment

The 2003 comparatives were restated in respect of the following transactions:

	£
Taxation creditor underprovided plus interest	21,376
Underprovision for bad debts	62,954
Understatement of accruals	11,537
Understatement of other taxation liability	2,084
Write off of commission debtors	6,809
Write off of commission prepayment	2,405
Total prior year adjustment	**107,165**

Various other comparatives were reclassified to more appropriate account headings but with no effect on the profit for the year.

8. Tangible fixed assets

	Fixtures and Fittings £
Cost:	
At 31 May 2003	3,489
Additions	2,534
At 31 May 2004	6,023
Additions	6,540
At 31 May 2005	12,563
Additions	19,311
At 31 May 2006	**31,874**
Depreciation:	
At 31 May 2003	1,481
Charge for the year	1,302
At 31 May 2004	2,783
Charge for the year	2,722
At 31 May 2005	5,505
Charge for the year	7,969
At 31 May 2006	**13,474**
Net book values:	
At 31 May 2004	3,240
At 31 May 2005	7,058
At 31 May 2006	**18,400**

9. Debtors

Debtors due within one year

	As at 31 May 2004 £	As at 31 May 2005 £	As at 31 May 2006 £
Trade debtors	574,217	890,619	1,240,761
Directors current accounts (Note 15)	105,000	-	-
VAT recoverable	-	11,774	5,652
Other debtors	27,924	55,148	92,033
Deferred taxation (Note 13)	26,926	41,270	-
	734,067	**998,811**	**1,338,446**

Debtors due after one year

Trade debtors	395,040	1,063,155	1,401,771
The cost of assets acquired for the purpose of letting under finance leases were	847,478	2,232,334	2,101,420

Trade debtors wholly represent finance lease debtors.

10. Creditors: amounts falling due within one year

	As at 31 May 2004 £	As at 31 May 2005 £	As at 31 May 2006 £
Bank loans and overdrafts	132,816	123,714	269,507
Trade creditors	290,198	735,144	1,033,662
Corporation tax	55,349	93,325	62,008
Other taxation and social security	10,558	2,554	2,302
Other creditors	96,761	143,435	86,902
	585,682	**1,098,172**	**1,454,381**

Trade creditors wholly represent funding creditors, which are secured on the value of finance leases written during the financial period.

The trade creditors figure is made up of numerous funding blocks that are repaid by monthly instalments. The length of the repayment term varies from 24 to 36 months and interest rates from 6.1% to 10.66%.

11. Creditors: amounts falling due after more than one year

	As at 31 May 2004 £	As at 31 May 2005 £	As at 31 May 2006 £
Bank loans and overdrafts	115,793	105,904	50,659
Trade creditors	337,200	763,004	989,425
	452,993	**868,908**	**1,040,084**

Trade creditors are secured as noted above, with the same repayment and interest rates (Note 10).

12. Creditors – bank loans

Creditors include finance capital which is due for repayment as follows:

	As at 31 May 2004 £	As at 31 May 2005 £	As at 31 May 2006 £
Amounts repayable:			
In one year or less or on demand	54,201	55,264	55,264
In more than one but not more than two years	55,264	55,264	50,659
In more than two but not more than five years	60,529	50,640	-
	169,994	**161,168**	**105,923**

13. Deferred Taxation

The deferred taxation included in the balance sheet is as follows:

	As at 31 May 2004 £	As at 31 May 2005 £	As at 31 May 2006 £
Included in debtors (Note 9)	26,926	41,270	-
Included in provisions	-	-	(694)

The movement in the deferred taxation account was:

Balance brought forward	(15,919)	(26,926)	(41,270)
Movement arising during the year (Note 5)	(11,007)	(14,344)	41,964
Balance carried forward	**(26,926)**	**(41,270)**	**694**

The balance of the deferred taxation account consists of the tax effect of other timing differences

14. Commitments under operating leases

The company had annual commitments under non-cancellable operating leases as set out below:

	As at 31 May 2004 £	As at 31 May 2005 £	As at 31 May 2006 £
Operating leases which expire after more than five years: in respect of land and buildings	11,500	15,000	15,000

15. Related party transactions

The directors Mr J D G Stickley and Mr A F Williams have given personal guarantees of £160,000 each to Barclays Bank plc, which are supported by second charges over personal domestic properties limited to £160,000 each. Also Mr J D G Stickley and Mr A F Williams have each given personal guarantees of £70,000 to Barclays Bank plc, which are unsupported.

Mr J D G Stickley was a director of and is a shareholder in Online Leasing Ltd. 1pm Ltd incurred commission charges from that company of: 2004 £2,538, 2005 £215, 2006 £1,743. There were no balances due at the year-ends.

Included within other debtors (Note 9) and other creditors (Note 10) are amounts owed to / (due from) directors, as follows:

	As at 31 May 2004 £	As at 31 May 2005 £	As at 31 May 2006 £
Mr J D G Stickley	(52,500)	10,500	29,788

Mr A F Williams	(52,500)	10,500	29,788

16. Called up share capital

	As at 31 May 2004 £	As at 31 May 2005 £	As at 31 May 2006 £
Authorised			
264,400 ordinary shares of £1 each	264,400	264,400	264,400
Allotted, called up and fully paid			
264,400 ordinary shares of £1 each	**264,400**	**264,400**	**264,400**

17. Profit and Loss Account

	As at 31 May 2004 £	As at 31 May 2005 £	As at 31 May 2006 £
Balance brought forward – as previously reported	5,253	(170,623)	
Prior year adjustment (Note 7)	(107,165)	-	
Balance brought forward - restated	(101,912)	(170,623)	(161,439)
Profit for the financial year	22,261	105,184	194,600
Equity dividends	(90,972)	(96,000)	(33,161)
Balance carried forward	**(170,623)**	**(161,439)**	**-**

Dividends paid were based on financial information at the time, and were believed to be within available distributable reserves. On restatement of the Accounts during audit, accounting policies and practises were changed resulting in dividends in excess of distributable reserves of £90,972 for 2004 and £96,000 for 2005.

18. Reconciliation of movements in shareholders' funds

		Issued share capital £	Profit and loss account £	Total £
Balance brought forward at 31 May 2003: as previously reported		264,400	5,253	269,653
Prior Year Adjustment	(Note 7)	-	(107,165)	(107,165)
Balance brought forward at 31 May 2003: as restated		264,400	(101,912)	162,488
Profit for the financial year		-	22,261	22,261
Equity dividends	(Note 6)	-	(90,972)	(90,972)
Shareholders Funds: at 31 May 2004		264,400	(170,623)	93,777
Profit for the financial year		-	105,184	105,184
Equity dividends	(Note 6)	-	(96,000)	(96,000)
Shareholders Funds: at 31 May 2005		264,400	(161,439)	102,961
Profit for the financial year		-	194,600	194,600
Equity dividends	(Note 6)	-	(33,161)	(33,161)
Shareholders Funds: at 31 May 2006		**264,400**	**-**	**264,400**

19. Notes to the Cash Flow Statement

	Year ended 31 May 2004 £	Year ended 31 May 2005 £	Year ended 31 May 2006 £
a) Reconciliation of operating profit to net cash outflow from operating activities			
Operating profit for the year	46,867	163,601	262,718
Depreciation charges (Note 8)	1,302	2,722	7,969
(Increase) in debtors	(70,369)	(911,754)	(712,203)
Increase / (decrease) in creditors	(198,506)	476,855	234,415
Net cash outflow from operating activities	**(220,706)**	**(268,576)**	**(207,101)**
b) Returns on investments and servicing of finance			
Interest payable and similar charges	(19,074)	(35,590)	(22,471)
c) Taxation			
Corporation tax (paid) / recovered	1,515	805	(35,000)
d) Capital expenditure and financial investments			
Payments to acquire tangible fixed assets (Note 8)	(2,534)	(6,540)	(19,311)
e) Financing			
Increase / (repayment) of bank loans	169,994	(8,806)	(55,245)
Net inflow from long-term trade creditors	155,842	425,784	226,421
Net cash inflow from financing	325,836	416,978	171,176

20. Reconciliation of Net Cash Flow to Movement in Net Debt

	Year ended 31 May 2004 £	Year ended 31 May 2005 £	Year ended 31 May 2006 £
Increase / (decrease) in cash in the period	(5,935)	11,077	(145,868)
Net cash (inflow)/ outflow from bank loans	(169,994)	8,806	55,245
Net cash inflow from long-term trade creditors	(155,842)	(425,784)	(226,421)
Change in net debt	(331,771)	(405,901)	(317,044)
Net debt at the start of the year	(253,933)	(585,704)	(991,605)
Net debt at the end of the year (Note 21)	**(585,704)**	**(991,605)**	**(1,308,649)**

21. Analysis of Changes in Net Debt

	At 1 June 2004	Cash Flows	At 31 May 2005	Cash Flows	At 31 May 2006
	£	£	£	£	£
Net cash:					
Cash at bank and in hand	105	912	1,017	(75)	942
Bank overdrafts	(78,615)	10,165	(68,450)	(145,793)	(214,243)
	(78,510)	11,077	(67,433)	(145,868)	(213,301)
Debt: due within one year	(54,201)	(1,083)	(55,264)	—	(55,264)
Debt: due after more than one year	(452,993)	(415,915)	(868,908)	(171,176)	(1,040,084)
	(507,194)	(416,998)	(924,192)	(171,176)	(1,095,348)
Net debt	**(585,704)**	**(405,901)**	**(991,605)**	**(317,044)**	**(1,308,649)**

22. Post Balance Sheet Events

On 3rd July 2006, the entire issued share capital of the Company was acquired by 1pm plc in a share for share exchange. Accordingly, 1pm plc became the parent and ultimate holding Company of the Group. The shareholders of 1pm plc are Mr. J D G Stickley and Mr. A F Williams who each own 50% of its share capital.

MOORE STEPHENS
CHARTERED ACCOUNTANTS

St. Paul's House
Warwick Lane
London EC4M 7BP

The Directors
1pm plc
12 George St
Bath
BA1 2EH

The Directors
ARM Corporate Finance Limited
12 Pepper Street
London
E14 9RP

27 July 2006

Dear Sirs,

1PM PLC

We report on the financial information set out below. This financial information has been prepared for inclusion in the AIM admission document dated [ ] July 2006 ("the Admission Document") issued by 1pm plc (the "Company"). This report is required by Schedule Two of the AIM Rules and is given for the purpose of complying with that schedule and for no other purpose.

Basis of preparation

1pm plc was incorporated in England & Wales as a public company with liability limited by shares on 14 June 2006 with registration number 05845866. The Company was incorporated with an authorised share capital of £300,000 divided into 1,000,000,000 Ordinary Shares of £0.0003 each. On incorporation, 2 Ordinary Shares were issued to the subscribers, nil paid, which were transferred on 29 June 2006 to the shareholders of 1pm (UK) Limited (formerly 1pm Limited). A further 3,332 such shares were issued, nil paid, on 29 June 2006 to each of the transferees of those shares.

On 3 July 2006, the share capital of the Company was consolidated into 300,000 ordinary shares of £1.00 each.

On 3 July 2006, the Company acquired the entire issued share capital of 1pm (UK) Limited (formerly 1pm Limited) in exchange for the issue of 49,998 ordinary shares of £1.00 each credited as fully paid and by crediting the 2 existing issued ordinary shares (as consolidated) as fully paid.

On 4 July 2006, the share capital of the Company was divided into 440,011,734 Ordinary Shares of £0.0006818 each.

On 4 July 2006, the Company allotted 2,423,454 Ordinary Shares to InvestNorthWest Limited and 5,804,681 Ordinary Shares to SVS Securities plc to be issued in each case for cash at par conditional on Admission.

Save for the above transactions, the Company has not traded, has not made up any accounts for presentation to its members and has not declared or paid any dividends. For the purpose of the Admission Document, a balance sheet of the Company has been prepared as at 30 June 2006, the latest practicable date.

The Company will incur expenses relating to the Admission as described in the Admission Document. These expenses are not accrued in the balance sheet as at 30 June 2006 set out below and, accordingly, no profit and loss account for the period from incorporation (14 June 2006) to 30 June 2006 is required to be presented.

The Financial Statements have been drawn up in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial information does not constitute statutory accounts within the meaning of Section 240 of the UK Companies Act 1985 (as amended).

Responsibilities

The directors of the Company are responsible for preparing the financial information on the basis of preparation set out in note 1 to the financial information and in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

It is our responsibility to form an opinion on the financial information as to whether the financial information gives a true and fair view for the purposes of the Admission Document, and to report our opinion to you.

Basis of Opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgements made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement, whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the financial information gives, for the purposes of the Admission Document, a true and fair view of the state of affairs of the Company as at 30 June 2006 in accordance with the basis of preparation set out in note 1 to the financial information and in accordance with UK United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), as described in note 1 to the financial information.

Declaration

For the purposes of paragraph (a) of Schedule Two of the AIM Rules, we are responsible for this report as part of the Admission Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Schedule Two of the AIM Rules.

Yours faithfully,

Moore Stephens LLP
Chartered Accountants
Registered Auditors

Financial Information
Balance Sheet as at 30 June 2006

	Note	**As at £**
Current assets		
Debtors		2
		2
Capital and reserves		
Called up share capital	*2*	2
Shareholders' funds		**2**

Notes to the financial information

1. Accounting Policies

a) **Accounting Convention**

The financial information has been prepared, on the going concern basis, and in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

2. Share Capital

	No.	**£**
Authorised		
Ordinary shares of £0.0003 each	1,000,000,000	300,000
Issued		
Ordinary shares of £0.0003 each	6,666	2

3. Post balance sheet events

On 3 July 2006, the share capital of the Company was consolidated into 300,000 ordinary shares of £1.00 each.

On 3 July 2006, the Company acquired the entire issued share capital of 1pm (UK) Limited (formerly 1pm Limited) in exchange for the issue of 49,998 ordinary shares of £1.00 each credited as fully paid and by crediting the 2 existing issued ordinary shares (as consolidated) as fully paid.

On 4 July 2006, the share capital of the Company was divided into 440,011,734 Ordinary Shares of £0.0006818 each.

On 4 July 2006, the Company allotted 2,423,454 Ordinary Shares to InvestNorthWest Limited and 5,804,681 Ordinary Shares to SVS Securities plc to be issued in each case for cash at par conditional on Admission.

1. **Incorporation and Registration**

1.1 1pm plc was incorporated in England & Wales as a public company with liability limited by shares on 14 June 2006 with registration number 5845866. On 4 July 2006, the Company received a certificate entitling it to do business and borrow pursuant to the provisions of section 117(1) of the Act.

1.2 The principal legislation under which the Company operates is the Act and the regulations made under it.

1.3 The liability of the members of the Company is limited.

1.4 The Company has one wholly owned subsidiary, namely 1pm (UK) Limited. 1pm was incorporated in England & Wales as a private company with liability limited by shares on 10 December 1998 under registration number 3681755.

2. **Share Capital**

2.1 The Company was incorporated with an authorised share capital of £300,000 divided into ordinary shares of £0.0003 each. On incorporation, 2 ordinary shares were issued to the subscribers, nil paid. A further 3,332 such shares were subsequently issued to each of the transferees of those shares.

2.2 On 3 July 2006, the share capital of the Company was consolidated into 300,000 ordinary shares of £1-00 each.

2.3 On 3 July 2006, the Company acquired the entire issued share capital of 1pm in exchange for the issue of 49,998 ordinary shares of £1-00 each credited as fully paid and by crediting the 2 ordinary shares (as consolidated) as fully paid.

2.4 On 4 July 2006, the share capital of the Company was divided into Ordinary Shares of £0.0006818 each. By Special resolution of 27 July 2006 it was clarified that the precise designation of each Ordinary Share was £0.00068181817561983476709241120825081 and that as a consequence there are 440,000,004 Ordinary Shares in the authorised share capital of the Company.

2.5 Pursuant to resolutions passed on 4 July 2006, it was resolved inter alia:

2.5.1 that the Directors be generally and unconditionally authorised pursuant to section 80 of the Companies Act 1985, to allot relevant securities (as defined in that Section) up to an amount equal to the nominal amount of the authorised but unissued share capital at the date of the passing of this resolution, such authority to expire on 3 July 2011 save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and that the board may allot relevant securities in pursuance of such an offer or agreement as if this authority had not expired; and

2.5.2 that the Directors be authorised pursuant to section 95 of the Companies Act 1985 to allot equity securities (within the meaning of section 94 of that Act) for cash pursuant to the authority conferred by the resolution in paragraph 2.5.1 as if section 89(1) of that Act did not apply to any such allotment, provided that this power shall be limited to:

(i) the allotment of equity securities in connection with a rights issue, open offer or other offer of securities in favour of the holders of Ordinary Shares where the equity securities respectively attributable to the interests of all such shareholders are proportionate (as nearly as may be) to the respective numbers of Ordinary Shares held by them, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with fractional entitlements or legal or practical problems arising in any way; and

(ii) the allotment (otherwise than pursuant to sub-paragraph (i) above of equity securities up to the aggregate of the authorised but unissued capital of the Company;

and shall expire on the date of the next Annual General Meeting of the Company after the passing of this resolution or on 4 January 2008 (whichever is the earlier) save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the board may allot equity securities in pursuance of such an offer or agreement as if this power had not expired.

2.6 On 4 July 2006, the Company allotted 2,423,454 Ordinary Shares to Invest NorthWest Limited and 5,804,681 Ordinary Shares to SVS Securities plc in each case conditional on Admission payable in cash on par at Admission.

2.7 The Company does not provide for any rights of preemption attaching to its securities in its Articles of Association. The rights of preemption provided for by section 89 of the Act will apply to its securities, unless disapplied. The procedure for exercise of the right of preemption would be as detailed in section 90 of the Act. The section 89 rights are currently disapplied as described in paragraph 2.5.2.

2.8 The Directors intend to grant share options to incentivise new Directors and key employees, over no more than 15% of the Enlarged Share Capital.

2.9 Save as disclosed in this document:-

2.9.1 there has been no issue of share or loan capital of the Company for cash or otherwise or any change in the number of classes of which any such capital is comprised and no such issue is proposed;

2.9.2 no person has any preferential subscription rights for any shares of the Company that are unissued;

2.9.3 no share or loan capital of the Company is under option or agreed conditionally or unconditionally to be put under option;

2.9.4 no commission, discounts, brokerages or other special terms have been granted by the Company since its incorporation in connection with the issue or sale of any share or loan capital of the Company; and

2.9.5 no shares are currently in issue with a fixed date on which entitlement to a dividend arises, and there are no arrangements in force whereby future dividends are waived or agreed to be waived.

3. Directors' and other interests

3.1 The interests of the Directors and persons connected with them (within the meaning of section 346 of the Act) and their immediate families in the ordinary share capital of the Company, which have been notified to the Company pursuant to sections 324 and 328 of the Act and which are recorded in the Company's register of Directors' interests maintained under section 325 of the Act are as follows at the date of this document:

	At the date of this document		**Following the Placing (assuming full subscription at the Placing Price)**	
Individual	**Number**	**% issued share capital**	**Number**	**% issued share capital**
Mr JDG Stickley	36,666,667	50.00%	36,666,667	25.02%
Mr AF Williams	36,666,667	50.00%	36,666,667	25.02%
Mr JP Benson	-	-	250,000	0.17%

All of these interests are beneficial.

3.2 At the date of this document and immediately following the Placing, save as disclosed in paragraph 3.1 above, the Company is only aware of the persons shown in the table below who are interested or will be interested whether directly or indirectly, jointly or severally in 3 per cent or more of the issued share capital of the Company or could exercise control over the Company.

	At the date of this document		**Following the Placing (assuming full subscription at the Placing Price)**	
	Number	**%**	**Number**	**%**
SVS Securities plc	-	-	5,804,681	3.96%

3.3 There are no outstanding loans or guarantees which have been granted or provided by the Company to or for the benefit of any of the Directors.

3.4 Save as disclosed in this document, none of the Directors has any interest in any transaction which is of an unusual nature or contains unusual conditions or which is significant to the business of the Company and which remains in any respect outstanding or unperformed.

3.5 Save as specified in paragraph 4 below, there are no service agreements or proposed service agreements between any of the Directors and the Company (excluding contracts expiring or determinable by the Company within one year without payment of compensation).

3.6 The aggregate remuneration to be paid and benefits in kind (including pension contributions) to be granted to the Directors by the Company under the arrangements in force at the date of this document are estimated to be £205,000 for the financial period ending on 31 May 2007. For the financial period which ended on 31 May 2006, they were £16,254.

3.7 Save as disclosed, no Director has, or has had, any direct or indirect interest in any asset which, during the 5 years immediately preceding publication of this document, has been, or is proposed to be, acquired or disposed of by, or leased to, the Company.

3.8 In addition to their directorships of the Company, the Directors have held the following directorships of UK companies within the 5 years prior to the date of this document:

Director	**Current Directorships**	**Past Directorships**
Mr JDG Stickley	1pm (UK) Limited Earlysearch Limited	Phoenix Cashback Limited Online Leasing Limited
Mr AF Williams	1pm (UK) Limited Regency Offices Limited Earlysearch Limited Prior's Walk (Bathampton) Management Limited	Logilease Asset Finance (South) Limited
Mr JP Benson	1pm (UK) Limited Goblin Combe Environment Limited 112 Edith Road Limited Graphicgrade Limited	FishWorks plc Hardy Amies plc Rolfe & Nolan plc Rolfe & Nolan Employee Trust Limited Rolfe & Nolan International Limited Rolfe & Nolan Services Limited Rolfe & Nolan Systems Limited
Mr SM Grey	Realityplus Executive Management Limited	GE Capital Equipment Finance Limited

3.8.1 Mr JDG Stickley was formerly a director of Armour Leasing & Finance Limited which was put into creditors' voluntary liquidation and subsequently dissolved in the name of A.L. & F. Limited on 3 December 1991. As a consequence of a secured personal guarantee given to one of its creditors, he entered an individual voluntary arrangement on 27 March 1991, which lasted until discharged on 16 May 1995.

3.8.2 Mr JP Benson was formally a director of CH Industries plc when an administrative receiver was appointed on March 1 1991. The Company was subsequently put into compulsory liquidation as a result of a creditors petition issued on 22 May 1991. It was finally dissolved on 24 December 1997.

3.9 Save as referred to above, no Director of the Company has been a director of any company or a partner of any partnership that was subject to any insolvency arrangement or procedure (including administration, administrative receivership, company voluntary arrangement, partnership voluntary arrangement or insolvent liquidation) whilst he was a director or partner or during the 12 months after his leaving it.

3.10 Save as disclosed in this document, no Director:

3.10.1 has any unspent convictions in relation to any offence involving deception or fraud; or

3.10.2 has ever been declared bankrupt or has been the subject of an individual voluntary arrangement; or

3.10.3 has ever had any public criticism by any professional, statutory or regulatory authority including any order or undertaking disqualifying him from serving as a director (whether in the UK or overseas).

3.11 On completion of the Placing, the Company will effectively continue to be controlled by its present shareholders who will be in a position to influence substantially the outcome of any matters requiring a vote of shareholders.

4. **Directors' Service Contracts and Emoluments**

4.1 Mr JDG Stickley is employed by the Company as Joint Managing Director under a service agreement dated 4 July 2006. The appointment is for an initial period of 12 months and will come into effect on Admission. It will be terminable at any time by either party on 12 months' notice. A salary of £70,000 per annum is payable in respect of his services.

4.2 Mr AF Williams is employed by the Company as Joint Managing Director under a service agreement dated 4 July 2006. The appointment is for an initial term of 12 months and will come into effect on Admission. It will be terminable at any time by either party on 12 months' notice. A salary of £70,000 per annum is payable in respect of his services.

4.3 Mr JP Benson provides his services as Finance Director on the terms of a letter of appointment dated 4 July 2006. A salary of £7,800 per annum is payable in respect of his services. In addition, FD UK Limited provides the services of Mr JP Benson on the terms of an agreement dated 4 July 2006. A fee of £650 per day is payable in respect of these services. Both agreements are for an initial term of 12 months and will come into effect on Admission. They are terminable at any time by either party on 6 months' notice

4.4 Mr SM Grey has agreed to provide his services as a non-executive Director on the terms of a letter of appointment dated 4 July 2006,. The appointment is for an initial term of 12 months, starting on Admission and then terminable at any time by either party on 3 months' notice. The fee payable for his services is £12,000 per annum.

5. **Memorandum and Articles of Association**

5.1 The Memorandum of Association of the Company provides that the Company's principal objects and activities are to carry on the business of a holding and investment company and the business of a general commercial company. The objects of the Company are set out in full in Clause 4 of its Memorandum of Association, and the liability of the members of the Company is limited.

5.2 The provisions of the Articles of Association are summarised below:-

5.2.1 Dividends

Subject to relevant statutory provisions, and to the rights attaching to any class of shares, the holders of the Ordinary Shares are entitled, *pari passu* amongst themselves, to the profits of the Company available for distribution and resolved to be distributed according to the amounts paid up on the Ordinary Shares held by them provided that no dividend shall be declared in excess of the amount recommended by the Directors. Interim dividends may be paid if profits are available for distribution and if the Directors so resolve. No dividends payable in respect of an Ordinary Share shall bear interest. The Directors may, with the prior sanction of an ordinary resolution of the Company, offer the holders of the Ordinary Shares the right to elect to receive further Ordinary Shares, credited as fully paid, instead of cash in respect of all or part of such dividends.

5.2.2 Return of Capital

On a winding up of the Company, the balance of the assets available for distribution shall, subject to any sanction required by statute, be divided among the members in proportion to the amount of capital paid up on each Ordinary Share.

5.2.3 Voting

Subject to any special rights or restrictions as to voting attached to any class of shares, on a show of hands at any general meeting, every holder of Ordinary Shares who is present in person shall have one vote, and on a poll, every such holder who is present in person or by proxy shall have one vote for each Ordinary Share held by him. A corporate member may, by resolution of its directors or other governing body, authorise a person to act as its representative at general meetings, and such person shall be entitled to exercise such powers as the corporate member could exercise if it were an individual member.

5.2.4 Restrictions on Voting

5.2.4.1 A member of the Company shall not be entitled, in respect of any Ordinary Share held by him, to vote (either personally or by proxy) at any general meeting of the Company unless all amounts payable by him in respect of that Ordinary Share have been paid.

5.2.4.2 A member of the Company shall not, if the Directors so determine, be entitled to attend or vote, or to exercise rights of membership as aforesaid, if he or any other person appearing to be interested in such Ordinary Shares has failed to comply with a notice given under section 212 of the Act within 14 days from the date of service of such notice. The restrictions will continue until the information required by the notice is supplied to the Company or until the Ordinary Shares in question are transferred or sold in the circumstances set out in the Articles.

5.2.5 Record Dates and Unclaimed Dividends

The Company or its Directors may fix any date as the record date on which registered holders of Ordinary Shares shall be entitled to receipt of any dividend, provided that such record date may be on or at any time within 6 months before or after any date on which the dividend is declared or made. Any dividend unclaimed after a period of 12 years from the date when it became due for payment shall be forfeited and shall revert to the Company.

5.2.6 Variation of Rights

Subject to the statutory provisions, any rights attaching to any class of share in the Company may be varied with the written consent of the holders of not less than three quarters in nominal value of the issued shares of the class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the relevant class. The quorum for any such separate general meeting shall be persons holding, or representing by proxy, not less than one third in nominal value of the issued shares of the relevant class.

5.2.7 Transfer

Except as may be required by any procedures implemented pursuant to the Articles in accordance with the Act following the introduction of paperless trading, all transfers of shares must be effected by written instrument in any usual form or in any other form acceptable to the Directors and must be executed by or on behalf of the transferor and (in the case of a partly paid Ordinary Share) the transferee. The transferor is deemed to remain the holder of the shares concerned until the name of the transferee is entered in the register of members in respect of them. The Directors have discretion to refuse to register a transfer of any share which is not fully paid without giving a reason but must provide the transferee with a notice of the refusal within two months. The Directors may also decline to register any instrument of transfer unless (i) it is in respect of only one class of share; (ii) it is lodged with the Company, together with the relevant share certificate(s); and (iii) it is in favour of not more than four transferees jointly.

The Directors may, subject to the provision of the Articles relating to disclosure of interests, decline to register a transfer in respect of shares which are the subject of a notice under section 212 of the Act and which represent 0.25 per cent or more in nominal value of the issued shares of their class, and in respect of which the required information has not been received by the Company within 14 days.

5.2.8 Alteration of Capital

The Company may alter its share capital as follows:-

5.2.8.1 by ordinary resolution, it may increase its share capital, consolidate and divide all or any of its shares into shares of larger amount, sub-divide all or any of its shares into shares of smaller amount and cancel any shares not taken or agreed to be taken by any person; and

5.2.8.2 by special resolution and subject to the statutory provisions, it may reduce its share capital, any capital redemption reserve or any share premium account in any manner.

5.2.8.3 Subject to the statutory provisions and with the sanction of an extraordinary resolution of the holders of any class of shares carrying rights to convert into equity share capital of the Company, the Company may purchase any of its own shares.

5.2.9 Directors

5.2.9.1 Unless altered by ordinary resolution of the Company, the minimum number of Directors of the Company is 2, and the maximum is 10.

5.2.9.2 The aggregate fees paid to the Directors for their services in the office of Director in addition to any remuneration payable to a Director as the Board may in its discretion determine by reason of his or her appointment to any executive office or payable to a Director who performs services which, in the opinion of the Directors, go beyond the ordinary duties of a Director, shall not exceed £100,000 or such amount as may be determined by the Board.

5.2.9.3 At each annual general meeting of the Company, one third of the Directors who are subject to retirement by rotation (or, if their number is not 3 or a multiple of 3, the number nearest to but not more than one third) shall retire from office by rotation.

5.2.9.4 A person shall not be prevented from being appointed a Director and shall not be required to vacate the office of Director, by reason only of the fact that such person has attained the age of 70 years. A Director shall not be required to hold any shares in the Company.

5.2.10 Directors' interests

Save as provided in the Company's Articles of Association, a Director shall not vote or be counted in a quorum at a meeting in relation to any resolution concerning any contract or arrangement in which he or she is to his or her knowledge materially interested.

5.2.11 Borrowing Powers

The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property, assets and uncalled capital and to issue debentures and other securities. The Directors shall restrict the borrowing of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to any subsidiary or subsidiary undertaking so as to secure (so far, as regards subsidiaries and subsidiary undertakings, as by such exercise they can secure) that the aggregate amount at any one time outstanding in respect of all money borrowed by the Company and/or any of its subsidiaries or subsidiary undertakings (other than intra-group borrowing) shall not, without the previous sanction of an ordinary resolution of the Company, exceed an amount equal to seven times the amount of the issued share capital and sums standing to the credit of the share premium account of the Group from time to time.

6. Material Contracts

The following contracts (not entered into in the ordinary course of business) have been entered into by the Group in the 2 years prior to the date of this document and are or may be material:

6.1 A letter of engagement dated 27 July 2006 appointing ARM as Financial Advisers to the Company and Nominated Advisers in connection with the Company's AIM Admission. A fee of £50,000 plus VAT will be payable upon Admission to trading on AIM. Following Admission, an annual fee of £25,000 plus VAT will be payable by the Company in quarterly installments of £6,250 plus VAT. No fee will be payable by the Company under the Nominated Adviser Agreement for the quarter immediately following Admission.

6.2 A letter of engagement dated 13 April 2006 appointing SVS as financial adviser to the Company for the Placing, under which the Company has agreed to pay a fee of £20,000 plus VAT plus a commission of 5% on all money raised.

6.3 By a broker agreement dated 11 July 2006, the Company has agreed to pay SVS a broker fee of £7,500 plus 5% of any future capital raised.

6.4 A letter of engagement dated 15 June 2005 appointing Moore Stephens LLP as the reporting accountants to the Placing, under which the Company has agreed to pay fees up to a maximum of £55,000 plus VAT.

6.5 A letter of engagement dated 24 June 2006 appointing Neville Registrars Limited as Receiving Agents and Registrars to the Company.

6.6 A letter of engagement dated 5 June 2006 appointing Biddick Associates as Financial PR advisers to the Placing for which the Company will pay £22,000.

6.7 By a letter of agreement dated 19 April 2006, InvestNorthWest Limited has agreed to provide advice on business and funding strategy to 1pm in the run up to a possible flotation. An initial fee of £1000 plus VAT has been charged and a commission of 2.5% of the funds raised will become payable on Admission. In addition, InvestNorthWest Limited is entitled to subscribe for Ordinary Shares as referred to in paragraph 2.6 above.

7. Litigation

The Company is not engaged in any litigation or arbitration proceedings which are having or may have a significant effect on the Group's financial position and no such material litigation, arbitration or claim is known to be pending or threatened against the Company.

8. Working Capital

The Directors are of the opinion that, taking into account the estimated net proceeds receivable by the Company and assuming the minimum amount sought under the Placing is achieved, the working capital of the Company will, from the date of Admission, be sufficient for its present requirements, for at least 12 months from that date.

9. **United Kingdom Taxation**

The following paragraphs include advice received by the Directors about the tax position of shareholders who are resident or ordinarily resident in the UK for tax purposes and who hold their Ordinary shares as investments. The statements below are intended only as a general guide and do not constitute advice to any shareholder on his or her personal tax position and may not apply to certain classes of investor (such as dealers or UK insurance companies). The comments are based on current legislation and HM Revenue & Customs practice. Any investor who is in doubt as to his or her tax position should consult his or her professional adviser.

9.1 Taxation of the Company

The Company will be liable to UK corporation tax at current rates (depending on the level of its profits for each accounting period) between 0% and 30% of its taxable profits.

9.2 Taxation of Shareholders

The following paragraphs summarise the tax position of shareholders other than UK corporate shareholders receiving dividends.

A UK resident shareholder who is an individual will be entitled on receipt of a dividend to a tax credit equal to one ninth of the net dividend (i.e. one tenth of the aggregate of the net dividend and associated tax credit).

However, the rate of income tax payable on such dividends by a UK individual shareholder whose total income, including the dividend and the associated tax credit, falls within the threshold for lower or basic rate tax, will be 10%. (known as the "Schedule F ordinary rate"). Accordingly, the tax credit, will discharge such shareholder's liability to UK income tax on the dividend. To the extent that the tax credit exceeds that shareholder's liability to UK income tax, such shareholder will not be entitled to claim payment of the excess from the HM Revenue & Customs.

The rate of income tax payable on such dividends by a UK individual shareholder whose total income, including the dividend and associated tax credit, falls above the threshold for higher rate tax, is 32.5% (known as the "Schedule F upper rate"). Accordingly a shareholder who is liable to tax at the higher rate will have an additional liability to tax in respect of the dividend and associated tax credit at 22.5%, being the difference between the Schedule F ordinary rate and the Schedule F upper rate.

An individual shareholder who is a Commonwealth citizen, a citizen of the Republic of Ireland, a resident of the Isle of Man or Channel Islands or a national of a state within the European Economic Area will not be entitled to claim repayment of the whole or any part of the tax credit attaching to dividends. However, such shareholders or other non-UK resident shareholders may be entitled to claim payment of the whole or part of the tax credit depending on the terms of an applicable tax treaty but the reduction in the level of the tax credit will generally reduce or eliminate the amount payable.

9.3 Enterprise Investment Scheme Relief

The Company does not believe that the Business is a qualifying business for the purposes of Enterprise Investment Scheme relief.

9.4 UK Corporate Shareholders

A shareholder which is a UK resident company will in general not be liable to UK corporation tax on dividends received on its Ordinary shares and will be entitled to treat the dividend and the associated tax credit (to which a UK resident individual shareholder would be entitled) as franked investment income. By virtue of changes introduced in the Finance (No 2) Act 1997 with effect from 2 July 1997, UK pension funds (together with certain other tax exempt funds) and most UK corporate shareholders, will not be entitled to obtain payments of any tax credit associated to dividends.

9.5 Stamp Duty and Stamp Duty Reserve Tax ("SDRT")

9.5.1 The allotment and issue of new Ordinary shares by the Company pursuant to the Placing will not give rise to a charge to stamp duty or SDRT.

9.5.2 Transfers of Ordinary shares will be liable to stamp duty at the rate of £5 per £1000 (or part thereof) of the actual consideration paid, subject to a minimum of £5. An unconditional agreement to transfer such shares will be subject to SDRT at the rate of 0.5% of the consideration paid. However, when an instrument of transfer is executed and duly stamped before the expiry of a period of 6 years beginning with the date of that agreement, a claim can normally be made to cancel or obtain a repayment of the SDRT liability. The purchaser will normally assume the liability to pay the stamp duty and will be liable to pay the SDRT.

9.5.3 Special rules apply to the agreements made by market makers in the ordinary course of their business, broker-dealers, and certain other persons. Agreements for the transfer of shares to charities will not give rise to SDRT or stamp duty.

10. **General**

10.1 The total amount being raised by the Company through the Placing is £1,300,000 (gross).

10.1.1 The total costs and expenses of, or incidental to, the Placing payable by the Company, are estimated to be approximately £323,000 (exclusive of value added tax).

10.1.2 The expected net proceeds of the Placing accruing to the Company, after deduction of such costs and expenses, is £977,000.

10.1.3 No expenses of the Placing are being specifically charged to subscribers under the Placing and no commission is payable by the Company to any person in consideration of them agreeing to subscribe for Ordinary shares.

10.2 The Placing Price of 2 pence represents a premium of 1.93 pence above the nominal value of £0.0006818 per Ordinary share. The Placing Price is payable in full on application.

10.3 There have been no interruptions in the Company's business in the last 12 months which may have or have had a significant effect on its financial position.

10.4 The Ordinary Shares have not been admitted to dealings on any recognised investment exchange nor has any application for such admission been made. It is intended to apply for admission of the Company's Ordinary shares to AIM immediately after the successful closing of the Placing.

10.5 The accounting reference date of the Company is 31 May of each year.

10.6 Save as disclosed in this document, there are no investments in progress which are significant.

10.7 The financial information set out in this document does not constitute statutory accounts.

10.8 Save as described in this document, there are no patents or intellectual property rights, licences, or particular contracts which are or may be of fundamental importance to the Company's business.

10.9 ARM has given and has not withdrawn its written consent to the issue of this document with the references to its name in the form and context in which it appears. It has made no enquiries and accepts no liability whatsoever for the content of or omissions from this document for which the Directors are solely responsible.

10.10 SVS has given and has not withdrawn its written consent to the issue of this document with the references to its name in the form and context in which it appears. It has made no enquiries and accepts no liability whatsoever for the content of or omissions from this document for which the Directors are solely responsible.

10.11 Moore Stephens LLP has given and not withdrawn its written consent to the issue of this document with the inclusion of its reports as set out in Part Four, together with the references to its name in the form and context in which it appears.

10.12 The Directors are the promoters. There are no payments to promoters planned other than those set out in this document.

10.13 Payment for the Ordinary shares is to be made on allotment. Share certificates will be sent to successful applicants by first class post at the risk of the Placees within 10 days of the close of the Placing.

10.14 Save as disclosed in this document, the Directors are not aware of any exceptional factors that have influenced the Company's activities.

11. **Minimum Subscription**

The minimum amount which, in the opinion of the Directors, must be raised by the Placing in order to provide the sums is £1,300,000 divided as follows:-

11.1 purchase price of property:- £ nil;

11.2 expenses and commissions:- £323,000;

11.3 repayment of monies borrowed in respect of 11.1 and 11.2 above:- £ nil;

11.4 working capital:- £977,000.

12. **Documents Available for Inspection**

Copies of this document will be available free of charge during usual business hours on any weekday (Saturdays and public holidays excepted) at the offices of Irwin Mitchell at 150 Holborn, London, EC1N 2NS until 30 August 2006 or, if later, the date one month after Admission.

Dated: 27 July 2006