

1 Limited

Financial statements
for the year ended 30 September 2004
together with directors' and auditors' reports

Registered number: 3071231



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Company information

Directors and officers

D A Gillett
Dr A Hooley
Dr M Knight
A Osmant
M Shepherd

Secretary

A Osmant

Registered office

St John's Innovation Centre
Cowley Road
Cambridge
CB4 0WS

Auditors

Deloitte & Touche LLP
Chartered Accountants
Cambridge

Bankers

National Westminster Bank Plc
10 Bene't Street
Cambridge
CB2 3PU

Directors' report (continued)

The directors present their annual report together with the financial statements and independent auditors' report for the year ended 30 September 2004.

Directors' Responsibilities

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Business review

In 2004, the Company has continued the development of its proprietary designs for miniature autofocus camera modules for mobile phones using its ceramic actuator technology. The designs have been incorporated into prototype camera designs for a number of digital camera manufacturers. These prototype cameras are currently being designed for mass-manufacture and marketed to mobile phone manufacturers.

The Company's Digital Sound Projector technology has been extensively enhanced by the development of custom silicon chips and supplementary re-engineering to significantly reduce the cost of the technology to levels appropriate for mass-market products. In November 2003, the Company signed a licence agreement providing manufacturing rights to low cost Digital Sound Projector technology to a major Japanese Corporation. A further licence agreement was signed in July 2004. Resulting from these agreements, 1 Limited has commenced shipping its proprietary custom silicon chips to a licensee in advance of mass manufacture of 1 Limited's second Sound Projector product. This product will be launched in Japan in December 2004.

Subsequent events

On 3 November 2004, 1 Limited signed a licence deal with a major mobile phone handset manufacturer. The licence rights provided by this licence cover 1 Limited's autofocus and zoom mobile phone camera technology.

Principal activities

The principal activity of the company is that of research and development of electronic actuator and digital loud speaker intellectual property.

Results and dividends

The audited financial statements for the year ended 30 September 2004 are set out on pages 7 to 18. The retained loss for the year was £1,733,505 (2003 - £2,685,913). The directors are unable to recommend the payment of a dividend (2003 - £nil).

Directors' report (continued)

Directors' remuneration

The non-executive directors measure the performance of the executive directors and key members of senior management as a prelude to recommending their annual remuneration, bonus awards and awards of share options to the Board for final determination.

Directors and their interests

The directors who served during the year and their beneficial interests in the company's issued share capital were:

| | Number | |
|-------------------------------------|------------|------------|
| | 30/09/2004 | 30/09/2003 |
| D A Gillett | 46,720 | 46,720 |
| Dr A Hooley | 197,196 | 197,196 |
| M Knight (Chairman) | - | - |
| A Osmant | - | - |
| G Rinck (resigned 17 February 2004) | - | - |
| M Shepherd | 2,374 | 2,200 |

Share Options

The following directors have been granted share options to purchase ordinary shares:

| | Number | Exercise price £ | Date granted | Exercise period |
|-------------|--------|---------------------|--------------|-----------------|
| D A Gillett | 6,160 | 19.60 | 1/5/2000 | 1/5/03-1/5/10 |
| | 5,760 | 4.05 | 1/5/1999 | 1/5/01-1/5/09 |
| | 5,760 | 4.05 | 1/5/1998 | 1/5/00-1/5/08 |
| | 1,020 | 19.60 | 30/9/2001 | 1/10/04-30/9/10 |
| | 425 | 19.60 | 17/1/2003 | 1/5/04-1/5/10 |
| | 765 | 19.60 | 30/9/2003 | 1/10/03-30/9/12 |
| M Shepherd | 4,600 | 19.60 | 30/9/2001 | 1/8/04-30/9/07 |
| | 3,124 | 19.60 | 17/7/2001 | 1/8/03-17/7/11 |
| | 1,476 | 19.60 | 30/9/2001 | 1/8/03-30/9/07 |
| | 9,339 | 19.60 | 1/10/2001 | 1/10/02-1/10/10 |
| | 14,000 | 10.00 | 1/10/2003 | 3/11/04-3/11/07 |
| A Osmant | 2,344 | 19.60 | 17/7/2001 | 2/1/04-17/7/11 |
| | 5,388 | 19.60 | 1/10/2001 | 1/10/02-1/10/10 |
| | 780 | 19.60 | 17/1/2002 | 2/1/05-17/1/12 |
| | 7,000 | 10.00 | 1/10/2003 | 3/11/04-3/11/07 |

Directors' report (continued)

Auditors

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

St John's Innovation Centre
Cowley Road
Cambridge CB4 0WS

By order of the Board:



M Shepherd
Director

13 December 2004

Independent auditors' report

To the shareholders of 1 Limited

We have audited the financial statements of 1 Limited for the year ended 30 September 2004 which comprise the profit and loss account, the balance sheet and the related notes 1 to 21. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

Basis of opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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

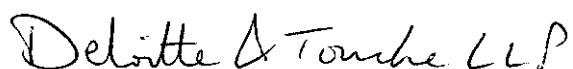
Independent auditors' report (continued)

Going concern

In forming our opinion, we have considered the adequacy of the disclosures made in note 2 to the accounts, concerning the ability of the company to continue as a going concern. In view of this uncertainty, we consider that it should be drawn to your attention, but our opinion is not qualified in this respect.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink that reads "Deloitte & Touche LLP". The script is cursive and fluid, with the letters connected.

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Cambridge

13 December 2004

Profit and loss account

For the year ended 30 September 2004

| | Notes | 2004 £ | 2003 £ |
|-------------------------------------------------------------------------------------|-------|--------------------|--------------------|
| Turnover | 3 | 1,449,839 | 402,869 |
| Cost of sales | | (259,890) | (191,878) |
| Gross profit | | <u>1,189,949</u> | <u>210,991</u> |
| Expenditure | | | |
| Distribution costs | | (514,743) | (380,157) |
| Research and development expenditure | | (2,478,540) | (2,715,452) |
| Administrative expenses | | (383,627) | (378,096) |
| Other operating income | 4 | - | 166,451 |
| Operating loss | 5 | (2,186,961) | (3,096,263) |
| Finance income | 8 | <u>72,260</u> | <u>110,350</u> |
| Loss on ordinary activities before taxation | | (2,114,701) | (2,985,913) |
| Tax on loss on ordinary activities | 9 | <u>381,196</u> | <u>300,000</u> |
| Loss on ordinary activities after taxation, being retained loss for the year | 16 | <u>(1,733,505)</u> | <u>(2,685,913)</u> |

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

There are no recognised gains or losses in either year other than the loss for that year.

The accompanying notes are an integral part of this profit and loss account.

Balance sheet
30 September 2004

| | Notes | 2004 £ | 2003 £ |
|-------------------------------------------------------|-------|---------------------|--------------------|
| Fixed assets | | | |
| Tangible assets | 10 | <u>29,769</u> | <u>89,156</u> |
| Current assets | | | |
| Stock | 11 | 31,046 | 109,748 |
| Debtors | 12 | 431,607 | 463,355 |
| Short term investments | 13 | 1,900,000 | 2,000,000 |
| Cash at bank and in hand | | <u>330,299</u> | <u>290,301</u> |
| | | 2,692,952 | 2,863,404 |
| Creditors: amounts falling due within one year | 14 | <u>(712,989)</u> | <u>(371,102)</u> |
| Net current assets | | <u>1,979,963</u> | <u>2,492,302</u> |
| Total assets less current liabilities | | <u>2,009,732</u> | <u>2,581,458</u> |
| Net assets | | <u>2,009,732</u> | <u>2,581,458</u> |
| Capital and reserves | | | |
| Called up share capital | 15 | 2,722 | 2,502 |
| Share premium account | 16 | 13,232,570 | 12,071,011 |
| Profit and loss account | 16 | <u>(11,225,560)</u> | <u>(9,492,055)</u> |
| Shareholders' funds – all equity | 17 | <u>2,009,732</u> | <u>2,581,458</u> |

The financial statements on pages 7 to 18 were approved by the Board and signed on its behalf:



M Shepherd
Director

13 December 2004

The accompanying notes are an integral part of this balance sheet.

Notes to the financial statements

30 September 2004

1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

b) Cash flow statement

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 (Revised).

c) Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life as follows:

| | |
|------------------------|-----------------|
| Plant and machinery | - 33% per annum |
| Office equipment | - 33% per annum |
| Computers and software | - 33% per annum |

Residual value is calculated on prices prevailing at the date of acquisition.

d) Stocks

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost comprises materials, direct labour and a share of production overheads appropriate to the relevant stage of production. Net realisable value is based on estimated selling price less all further costs to completion and all relevant marketing, selling and distribution costs.

e) Turnover

Licence fees - turnover in respect of non-refundable licence fees is recognised when all obligations relating to the grant of the licence have been met.

Research and development services and support fees - turnover is recognised as the services are rendered.

Notes to the financial statements

30 September 2004

1 Accounting policies (continued)

f) Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

g) Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is provided in full on timing differences, which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

h) Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of transaction, or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. All exchange differences are included in the profit and loss account.

i) Research and development

Research and development expenditure is written off in the year in which it is incurred. Plant and equipment acquired for research and development activities is written off on a straight line basis at the rate of 33% per annum.

j) Government grants

Government grants in respect of revenue expenditure are credited in the profit and loss account.

k) Pensions

The company contributes to the personal pension plans of some employees and the pension charge represents the amounts payable by the company to those plans in the year.

2 Going concern

During the year under review the company has met its working capital requirements as a result of funds received from shareholders. The directors have prepared projected cash flow information for the period ending 31 December 2005 which shows that based on current forecasts of revenue further funds will need to be raised to take the company to the point at which it is generating positive cash flows. On the basis of this cash flow information, events subsequent to the balance sheet date and a strong supportive shareholder base the directors consider the company will continue in operational existence for the foreseeable future and that it is appropriate to prepare the financial statements on a going concern basis.

These accounts do not reflect any adjustments that may be required if the company was unable to continue in operational existence for the foreseeable future.

Notes to the financial statements

30 September 2004

3 Turnover

| | 2004 £ | 2003 £ |
|---------------------------------|------------------|----------------|
| Class of business | | |
| Digital Sound Projector revenue | 1,350,097 | 319,155 |
| Other revenue | 99,742 | 83,714 |
| | <u>1,449,839</u> | <u>402,869</u> |
| Geographical analysis | | |
| Far East | 1,142,537 | 246,680 |
| United Kingdom | 263,779 | 156,189 |
| Rest of Europe | 17,837 | - |
| USA | 25,686 | - |
| | <u>1,449,839</u> | <u>402,869</u> |

4 Other operating income

| | 2004 £ | 2003 £ |
|-------------------|-----------|-----------|
| EC funds received | - | 166,451 |

5 Operating loss

The operating loss is stated after charging/(crediting):

| | 2004 £ | 2003 £ |
|---------------------------------------|-----------|-----------|
| Depreciation of tangible fixed assets | 81,527 | 159,140 |
| European Union grants | - | (166,451) |
| Operating lease rentals | | |
| - plant and machinery | 6,964 | 32,220 |
| Auditors' remuneration: | | |
| - audit services | 7,500 | 5,650 |
| - non-audit services | 9,775 | 9,395 |

All research and development expenditure relates to administration expenses.

Notes to the financial statements

30 September 2004

6 Staff costs

The average monthly number of employees (including executive directors) was:

| | 2004 Number | 2003 Number |
|--------------------------|----------------|----------------|
| Research and development | 28 | 29 |
| Sales and marketing | 2 | 2 |
| Administration | 4 | 4 |
| | <u>34</u> | <u>35</u> |

| | 2004 £ | 2003 £ |
|-----------------------------------------|------------------|------------------|
| Their aggregate remuneration comprised: | | |
| Wages and salaries | 1,775,261 | 1,499,202 |
| Social security costs | 208,339 | 169,208 |
| Other pension costs | 41,559 | 28,800 |
| | <u>2,025,159</u> | <u>1,697,210</u> |

The increase in remuneration in 2004 relates to a performance related bonus paid after the end of the financial year.

7 Directors' remuneration

The executive directors' remuneration is set by the non-executive directors. The remuneration of the directors was as follows:

| | 2004 £ | 2003 £ |
|---------------------------------------------------------|----------------|----------------|
| Emoluments | 343,300 | 363,300 |
| Company contributions to money purchase pension schemes | 26,800 | 22,800 |
| Annual performance related bonus | 196,250 | - |
| | <u>566,350</u> | <u>386,100</u> |

The number of directors who were members of pension schemes was as follows:

| | 2004 | 2003 |
|------------------------|----------|----------|
| Money purchase schemes | <u>2</u> | <u>2</u> |

Highest-paid director

The above amounts for remuneration include the following in respect of the highest paid director:

| | 2004 £ | 2003 £ |
|-------------------------------------------------|----------------|----------------|
| Emoluments | 119,200 | 159,012 |
| Company contributions to money purchase schemes | 10,800 | 12,000 |
| Annual performance related bonus | 97,500 | - |
| | <u>227,500</u> | <u>171,012</u> |

Notes to the financial statements

30 September 2004

7 Directors' remuneration (continued)

One third of the highest paid director's annual bonus was reinvested in the Company's share capital post the end of the year, under the terms of the bonus agreement.

Merrycroft Limited, a company of which M Knight is also a director, invoiced £15,000 for consultancy services provided by M Knight during the year (2003 - £4,274). The balance due to Merrycroft Ltd in respect of these services at 30 September 2004 was £3,750 (2003 - £4,274).

8 Finance income (net)

| | 2004 | 2003 |
|--------------------------|---------------|----------------|
| | £ | £ |
| Bank interest receivable | <u>72,260</u> | <u>110,350</u> |

9 Tax on loss on ordinary activities

| | 2004 | 2003 |
|--------------------------------------------------|-----------------|----------------|
| | £ | £ |
| Research and development tax credit - prior year | 175,642 | - |
| - current year | 300,000 | 300,000 |
| Foreign tax | <u>(94,446)</u> | <u>-</u> |
| | <u>381,196</u> | <u>300,000</u> |

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 30%. The actual tax credit for the current and previous year is lower than the standard rate for the reasons set out in the following reconciliation:

| | 2004 | 2003 |
|----------------------------------------------------------------|--------------------|--------------------|
| | £ | £ |
| Loss on ordinary activities before tax | <u>(2,114,701)</u> | <u>(2,985,913)</u> |
| Tax on loss on ordinary activities at standard rate | 634,410 | 895,774 |
| Factors affecting charge for the year: | | |
| Expenses not deductible for tax purposes | (3,322) | (14,501) |
| Capital allowances in deficit of depreciation | (19,547) | (32,308) |
| Deferred tax asset not recognised in respect of revenue losses | (269,129) | (466,822) |
| Movement in short term timing differences | 1,800 | (10,800) |
| Research and development enhanced deduction | 189,954 | 191,157 |
| Foreign tax expensed | 28,334 | - |
| Research and development tax credit | 300,000 | 300,000 |
| Expenses surrendered for tax credit | (562,500) | (562,500) |
| Foreign tax suffered | (94,446) | - |
| Prior period adjustments | <u>175,642</u> | <u>-</u> |
| Current tax credit for year | <u>381,196</u> | <u>300,000</u> |

Notes to the financial statements

30 September 2004

9 Tax on loss on ordinary activities (continued)

Deferred tax

A deferred tax asset of £1,892,108 (2003 - £1,759,703) in respect of tax losses has not been provided for on the basis of the uncertainty surrounding its full recoverability in the future. This asset will be recoverable against the company's future taxable income.

10 Tangible fixed assets

| | Plant and machinery £ | Office equipment £ | Computers and software £ | Total £ |
|-----------------------|-----------------------------|--------------------------|--------------------------------|------------|
| Cost | | | | |
| At 1 October 2003 | 549,343 | 28,248 | 73,212 | 650,803 |
| Additions | 4,912 | - | 17,228 | 22,140 |
| At 30 September 2004 | 554,255 | 28,248 | 90,440 | 672,943 |
| Depreciation | | | | |
| At 1 October 2003 | 484,040 | 24,391 | 53,216 | 561,647 |
| Charge for the year | 57,529 | 3,756 | 20,242 | 81,527 |
| At 30 September 2004 | 541,569 | 28,147 | 73,458 | 643,174 |
| Net book value | | | | |
| At 30 September 2004 | 12,686 | 101 | 16,982 | 29,769 |
| At 30 September 2003 | 65,303 | 3,857 | 19,996 | 89,156 |

11 Stocks

| | 2004 £ | 2003 £ |
|-------------------------------------|-----------|-----------|
| Raw materials and consumables | 29,146 | - |
| Work in progress | 1,900 | 51,817 |
| Finished goods and goods for resale | - | 57,931 |
| | 31,046 | 109,748 |

There are no significant differences between the replacement cost and the book values of stocks.

Notes to the financial statements

30 September 2004

12 Debtors: Amounts falling due within one year

| | 2004 | 2003 |
|----------------------|----------------|----------------|
| | £ | £ |
| Trade debtors | 112,291 | 131,604 |
| Taxation recoverable | 300,000 | 313,045 |
| Prepayments | 19,316 | 18,706 |
| | <u>431,607</u> | <u>463,355</u> |

13 Short term investments

| | 2004 | 2003 |
|------------------------|------------------|------------------|
| | £ | £ |
| Short term investments | <u>1,900,000</u> | <u>2,000,000</u> |

These amounts represent balances on deposit with maturity periods of up to one month.

14 Creditors: Amounts falling due within one year

| | 2004 | 2003 |
|------------------------------------|----------------|----------------|
| | £ | £ |
| Trade creditors | 107,739 | 165,569 |
| Other taxation and social security | 50,484 | 47,232 |
| Other creditors | 554,766 | 158,301 |
| | <u>712,989</u> | <u>371,102</u> |

Notes to the financial statements

30 September 2004

15 Called up share capital

| | 2004 £ | 2003 £ |
|------------------------------------------------------------|--------------|--------------|
| <i>Authorised</i> | | |
| 1,600,000 ordinary shares of 0.25p each | <u>4,000</u> | <u>4,000</u> |
| <i>Allotted, called up and fully paid</i> | | |
| 1,088,834 (2003 – 1,000,580) ordinary shares of 0.25p each | <u>2,722</u> | <u>2,502</u> |

Shares issued during the year were:

| | Number | Nominal Value £ | Consideration £ |
|-----------------|---------------|-----------------------|--------------------|
| Ordinary shares | <u>88,254</u> | <u>220</u> | <u>1,161,779</u> |

Assuming all granted share options at 30 September 2004 are exercised, the fully diluted number of shares is 1,224,302.

16 Reserves

| | Share premium account £ | Profit and loss account £ | Total £ |
|-------------------------------|----------------------------------|---------------------------------|------------------|
| At 1 October 2003 | 12,071,011 | (9,492,055) | 2,578,956 |
| Shares issued during the year | 1,161,559 | - | 1,161,559 |
| Retained loss for the year | - | (1,733,505) | (1,733,505) |
| At 30 September 2004 | <u>13,232,570</u> | <u>(11,225,560)</u> | <u>2,007,010</u> |

Notes to the financial statements

30 September 2004

17 Reconciliation of movements in shareholders' funds

| | 2004 £ | 2003 £ |
|--------------------------------------|-------------|-------------|
| Loss for the financial year | (1,733,505) | (2,685,913) |
| New shares issued | 1,161,779 | 72,363 |
| Net reduction in shareholders' funds | (571,726) | (2,613,550) |
| Opening shareholders' funds | 2,581,458 | 5,195,008 |
| Closing shareholders' funds | 2,009,732 | 2,581,458 |

18 Financial commitments

Annual commitments under non-cancellable operating leases are as follows:

| | 2004 Plant and machinery £ | 2003 Plant and machinery £ |
|-----------------------|-------------------------------------|-------------------------------------|
| Expiry date: | | |
| Within one year | 2,449 | 1,434 |
| Between 2 and 5 years | 4,966 | 5,158 |
| | 7,415 | 6,592 |

19 Share options

At 30 September 2004 employees held options for 135,468 unissued ordinary shares (2003 – 128,362) as follows:

| Number of Shares | Option price per share £ | Exercise period |
|---------------------|--------------------------------|------------------|
| 11,520 | 4.05 | 1/5/00-1/5/09 |
| 6,720 | 9.88 | 5/8/99-12/8/08 |
| 8,960 | 16.25 | 1/3/03-1/3/06 |
| 81,424 | 19.60 | 22/10/00-17/1/13 |
| 3,844 | 32.00 | 22/5/01-17/7/11 |
| 2,000 | 32.50 | 2/5/00-2/5/09 |
| 21,000 | 10.00 | 3/11/04-3/11/07 |

During the year, a further 21,000 share options were granted and 13,894 share options lapsed.

Notes to the financial statements

30 September 2004

20 Controlling party

There is no ultimate controlling party.

21 Subsequent events

On 3 November 2004, 1 Limited signed a licence deal with a major mobile phone handset manufacturer. The licence rights provided by this licence cover 1 Limited's autofocus and zoom mobile phone camera technology.