

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you are recommended immediately to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant, independent financial adviser or other professional adviser who, if you are taking advice in Ireland, is authorised or exempted under the Investment Intermediaries Act 1995 or the Stock Exchange Act 1995, or, if you are taking advice in the United Kingdom, is authorised under the Financial Services and Markets Act 2000 of the United Kingdom.

This document should be read in conjunction with the accompanying Form of Acceptance. Appendix V contains the definitions of certain terms used in this document.

If you have sold or otherwise transferred all your FireOne Shares (other than pursuant to the Offer), please send this document, and the accompanying Form of Acceptance and reply-paid envelope, at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. Such documents should not, however, be forwarded, transmitted or distributed in or into or from Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to do so.

If you are a CREST sponsored member, you should refer to your CREST sponsor before completing the accompanying Form of Acceptance as only your CREST sponsor will be able to send the necessary TTE instructions to CRESTCo.

A letter of recommendation from the Independent Committee of the Board of FireOne is set out in Part 1 of this document.

To accept the Offer, the Form of Acceptance should be completed in accordance with the instructions set out therein and returned, whether or not your FireOne Shares are in CREST, by post to Capita Corporate Registrars Plc at PO Box 7117, Dublin 2, Ireland, or by hand (during normal office hours only) to Unit 5, Manor Street Business Park, Manor Street, Dublin 7, Ireland as soon as possible, and, in any event, so as to be received by no later than 3.00pm (Dublin time) on 12 January 2007. The procedure for acceptance of the Offer is set out in paragraph 10 of Part 2 of this document and in the accompanying Form of Acceptance.

Recommended Cash Offer

by

Optimal Acquisition Inc.

for

FireOne Group plc

Genuity Capital is acting exclusively for OGI and Optimal Acquisition and for no one else in connection with the Offer and will not be responsible to anyone other than OGI and Optimal Acquisition for providing the protections afforded to clients of Genuity Capital or for providing advice in relation to the Offer, the contents of this document or any transaction or arrangement referred to herein.

Numis Securities, which is authorised by the Financial Services Authority under the Financial Services and Markets Act 2000 of the United Kingdom, is acting exclusively for FireOne and no one else in connection with the Offer and will not be responsible to anyone other than FireOne for providing the protections afforded to clients of Numis Securities or for providing advice in relation to the Offer, the contents of this document or any transaction or arrangement referred to herein.

The Offer is not being made, directly or indirectly, in, into or from, or by use of the mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce, or any facility of a national securities exchange of Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to do so and the Offer should not be accepted by any such use, means, instrumentality or facility, or from within Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to do so. Accordingly, copies of this document and the Form of Acceptance and any related offering documents are not being and must not be mailed, forwarded, sent, transmitted or otherwise distributed in, into or from Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to do so and persons receiving such documents (including, without limitation, custodians, nominees and trustees) must not distribute, forward, mail or transmit or send them in, into or from Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to do so. Doing so may render invalid any purported acceptance of the Offer by persons in any such jurisdiction.

All FireOne Shareholders (including without limitation, custodians, nominees and trustees) who would or otherwise intend to, or may have a contractual or legal obligation to, forward this document or the Form of Acceptance to any jurisdiction outside the United Kingdom or Ireland or to overseas persons should seek appropriate advice before taking any action. Further details in this regard are contained in paragraph 8 of Part B of Appendix 1 to this document.

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PART 1. LETTER OF RECOMMENDATION FROM THE INDEPENDENT COMMITTEE



Independent Committee

John Greely (Non-Executive)
Declan O'Neill (Non-Executive)
Paschal Taggart (Non-Executive)
Roger Withers (Non-Executive)

FireOne Group Plc

Registered Office
10 D Park West Business Park
Clondalkin
Dublin 12

Other Directors

Leon Garfinkle (Non-Executive Chairman)
Benjamin Dalfen (Chief Executive Officer)
David Schwartz (Finance Director)
Shaun Lavelle (Executive Director)

22 December 2006

To FireOne Shareholders and holders of RSUs

RECOMMENDED CASH OFFER FOR FIREONE GROUP PLC

Dear Shareholder,

1. Introduction

It was announced on 15 December 2006 that the board of directors of Optimal Acquisition had reached agreement with the Independent Committee on the terms of a recommended cash offer, to be made by Optimal Acquisition, to acquire the issued and to be issued ordinary share capital of FireOne.

Optimal Acquisition is a wholly owned subsidiary of OGI, incorporated under the laws of Canada. None of the members of the Independent Committee has any financial or other interest in Optimal Acquisition.

This letter sets out the background to the Offer and the reasons why the Independent Committee is recommending to all FireOne Shareholders to accept the Offer. The formal Offer is set out in the letter from Optimal Acquisition in Part 2 of this document.

2. Terms of the Offer

The Offer, which is subject to the terms and conditions set out or referred to in this document and in the Form of Acceptance, is for the entire issued and to be issued share capital of FireOne on the following basis:

For each FireOne Share

60p in cash

The Offer values the entire issued and to be issued ordinary share capital of FireOne at approximately £32.4 million.

The Offer represents:

- a premium of approximately 12 per cent. over 53.5p being the Closing Price of a FireOne Share on 14 December 2006, the last Business Day prior to the commencement of the Offer Period;

- a premium of approximately 21 per cent. over 49.68p, being the average Closing Price of a FireOne Share in the month prior to the commencement of the Offer Period; and
- a premium of approximately 36 per cent. over 44p, being the value of net cash per share (on a fully diluted basis) in FireOne's balance sheet as at 30 September 2006 (based on an exchange rate of Stg£1:US\$1.96).

3. **Background to and reasons for the Offer and recommendation**

On 30 September 2006, the U.S. Congress passed the *Unlawful Internet Gambling Enforcement Act of 2006*, following which FireOne ceased to process settlement transactions originating from U.S. consumers that might be viewed as related to online gambling. The passing of the Act has had a material negative impact on the prospects for the business and operations of FireOne. In light of these changes in the legislative environment, the Board has conducted a review of FireOne's business and considered a range of strategic alternatives, and the potential returns available from each option to FireOne Shareholders, including liquidation of the business; returning excess cash to FireOne Shareholders; continuing the business as an independent entity, focusing on non-U.S. gaming and non-gaming processing assets (and making suitable acquisitions in these areas); and a sale of the FireOne business.

At the same time, OGI, which owns directly or indirectly approximately 74.17 per cent. of the issued ordinary share capital of FireOne, on a fully diluted basis, has also been reviewing strategic options available to it, which has resulted in OGI approaching the Independent Committee of FireOne with the Offer. As certain FireOne directors could be considered to have a conflict of interest due either to their involvement with OGI or their continuing involvement with FireOne in the event of the Offer being successful, the Independent Committee was established to handle matters in relation to the Offer.

In considering the merits of the Offer, the Independent Committee, which has been advised by Numis Securities, has considered the following factors:

- having completed the review of available strategic options, the Board has concluded that the option most likely to deliver a certain return for FireOne Shareholders in an acceptable timeframe is a sale of the business;
- the significantly reduced prospects for the FireOne business as an independent listed entity; and
- the Offer represents a premium both to recent trading levels and to any level that the Independent Directors might expect the FireOne Shares to trade at in the short to medium term.

The Independent Directors believe that FireOne's future as an independent listed entity is uncertain and that, as a wholly owned entity within the OGI Group, the resulting operational synergies and benefits of scale would offer the opportunity for improved performance relative to management's current expectations for FireOne.

4. **Undertakings to accept the Offer**

Irrevocable undertakings to accept the Offer have been received from the following:

- (a) the FireOne directors in respect of, in aggregate, 901,846 Ordinary Shares and RSUs representing 1.67% of the issued ordinary share capital of FireOne on a fully diluted basis as follows:
 - (i) John Greely, Non-Executive, in respect of 10,000 Ordinary Shares and 28,315 RSUs;

- (ii) Declan O'Neill, Non-Executive, in respect of 14,479 Ordinary Shares and 13,038 RSUs;
 - (iii) Paschal Taggart, Non-Executive, in respect of 14,479 Ordinary Shares and 13,038 RSUs;
 - (iv) Roger Withers, Non-Executive, in respect of 14,479 Ordinary Shares and 19,557 RSUs;
 - (v) Benjamin Dalfen, Executive, in respect of 412,853 RSUs;
 - (vi) Leon Garfinkle, Non-Executive Chairman, in respect of 148,844 RSUs;
 - (vii) Shaun Lavelle, Executive, in respect of 30,783 RSUs;
 - (viii) David Schwartz, Executive, in respect of 181,981 RSUs;
- (b) OGI in respect of 7,500,000 Ordinary Shares;
- (c) OG Processing Services Holdings in respect of 32,500,000 Ordinary Shares.

The undertakings set out above shall cease to have effect in circumstances where:

- the Offer is withdrawn or lapses; or
- after the date of posting of this Offer Document a third party, in accordance with the Takeover Rules, announces a firm intention to make a general offer for all the ordinary share capital in FireOne (not already owned by such third party) which is not subject to any pre-conditions and which is at an offer price per Ordinary Share which is more than 5 per cent above the Offer made by Optimal Acquisition.

The total number of Ordinary Shares and RSUs in respect of which Irrevocable Undertakings have been provided is therefore 40,901,846 representing, in aggregate, 75.84% of the issued Ordinary Share capital of FireOne on a fully diluted basis.

5. **Intentions regarding FireOne and the management and employees of FireOne**

The directors of Optimal Acquisition have informed FireOne that their intention is to continue the existing business currently carried on by the FireOne Group and to attempt to develop the business through possible alternative uses for the FirePay Wallet and an expansion of the credit card acquiring business currently operated by the FireOne Group. In addition, FireOne has been informed that the directors of Optimal Acquisition hope to combine the business currently carried on by Optimal Payments UK, a subsidiary of OGI, with the business currently carried on by the FireOne Group.

The directors of Optimal Acquisition have confirmed to FireOne that they do not believe that these plans will affect the employees currently employed by the FireOne Group or the location of the FireOne Group's places of business. The directors of Optimal Acquisition have also confirmed that Optimal Acquisition does not intend to redeploy the existing fixed assets of FireOne or of any member of the FireOne Group following the Offer becoming unconditional.

The directors of Optimal Acquisition have confirmed to FireOne that the employment rights of the employees and management of the FireOne Group will be fully safeguarded and that there will be no material change to the conditions of employment of such employees or management on closing of the Offer.

Having regard to such confirmations, the Independent Committee does not consider that implementation of the Offer and of Optimal Acquisition's plans for the FireOne Group should have any significant repercussions on employment within the FireOne Group or on the location of its places of business.

6. **Update on current trading of FireOne**

As FireOne has previously announced, following the enactment of the Act, FireOne ceased processing settlement transactions originating from United States consumers that may be viewed as related to online gambling. Such transactions represented approximately 83% and 84% of FireOne's total revenue in the three and nine months ended 30 September 2006, respectively. The Directors believe that FireOne might not be able to identify and engage in other opportunities that would offset the lost revenue. FireOne has embarked upon a restructuring of its operations and cost base. Restructuring costs are estimated to be approximately \$1.5 million and will be recorded in the fourth quarter of 2006.

FireOne continues to focus on its two main service offerings being the FirePay Wallet and its credit card acquiring offering.

The strategy pertaining to the FirePay Wallet is twofold. FireOne intends to geographically expand the offering to consumers outside of its current base (United States, Canada and United Kingdom). This expansion will focus primarily on Europe and will be facilitated by the recent issuance to FirePay UK Ltd., FireOne's wholly owned subsidiary, of an electronic money issuer license by the United Kingdom Financial Services Authority. FireOne also intends to expand the use of the FirePay Wallet by introducing it into various industry segments.

FireOne's credit card acquiring offering continues to be focused for online gaming merchants. Although FireOne's offering provides risk management and technical expertise associated with processing online payment transactions, FireOne will pursue relationships with low cost, credible acquiring partners in order to maintain and increase the overall competitiveness of its offering.

7. **RSU Plan**

The Offer extends to any FireOne Shares unconditionally allotted or issued while the Offer remains open for acceptance pursuant to the exercise of RSUs granted under the RSU Plan. Appropriate proposals will also be made by Optimal Acquisition to FireOne RSU Holder.

8. **Taxation**

Your attention is drawn to paragraph 8 of Appendix IV of this document, headed "Irish and UK taxation". If you are in any doubt as to your own tax position, if you require more detailed information or if you are subject to taxation in a jurisdiction other than Ireland or the United Kingdom you should consult an independent financial adviser immediately.

9. **Action to be taken to accept the Offer**

The procedure for acceptance is set out in paragraph 10 of the letter from Optimal Acquisition contained in Part 2 of this document, in Appendix I of this document and in the accompanying Form of Acceptance. If you wish to accept the Offer you should complete and return your Form of Acceptance in accordance with the instructions printed on it to **Capita Corporate Registrars Plc, by post at PO Box 7117, Dublin 2, Ireland** or (during normal business hours only) by hand to **Unit 5, Manor Street Business Park, Manor Street, Dublin 7** as soon as possible and in any event so as to be received by no later than 3.00pm (Dublin time) on 12 January 2007. If you have any questions about this procedure, you should telephone **Capita Corporate Registrars Plc (Telephone + 353 1 810 2400)**.

Please note that for legal reasons, Capita Corporate Registrars Plc will only be able to provide you with information contained in this document and will be unable to give any advice on the merits of the Offer or to provide personal legal, financial or tax advice on the contents of this document.

10. **Further information**

Your attention is drawn to the information set out in the rest of this document, including the Appendices.

11. **Recommendation**

The Independent Committee, which has been so advised by Numis Securities, considers the terms of the Offer to be fair and reasonable. In providing advice to the Independent Committee, Numis Securities has taken into account the commercial assessments of the Independent Committee and the other directors of FireOne. The members of the Independent Committee recommend that FireOne Shareholders accept the Offer, as the members of the Independent Committee have agreed to do in respect of their beneficial holdings of FireOne Shares and RSUs representing approximately 0.24 per cent. of the issued ordinary share capital of FireOne on a fully diluted basis.

Yours faithfully,

A handwritten signature in black ink, appearing to be 'RW', with a long horizontal line extending to the right and a small flourish underneath.

Roger Withers
for and on behalf of the Independent Committee

PART 2. LETTER FROM OPTIMAL ACQUISITION

OPTIMAL ACQUISITION INC.

Directors

Holden Ostrin (Executive)
Gary Wechsler (Executive)
Neil Wechsler (Executive)

2 Place Alexis Nihon
3500 de Maisonneuve Boulevard West
Suite 1700
Montreal, Quebec
H3Z 3C1

22 December 2006

To FireOne Shareholders and holders of RSUs

RECOMMENDED CASH OFFER FOR FIREONE GROUP PLC

Dear Shareholder,

1. Introduction

On 15 December 2006 the board of directors of Optimal Acquisition and the Independent Committee announced that they had reached agreement on the terms of a recommended cash offer, to be made by Optimal Acquisition, for the entire issued and to be issued ordinary share capital of FireOne. Optimal Acquisition is a wholly owned subsidiary of OGI, incorporated under the laws of Canada. This letter and Appendix I of this document, together with the accompanying Form of Acceptance, contain the formal terms and conditions of the Offer.

Your attention is drawn to the letter of recommendation from the Independent Committee in Part 1 of this document, which sets out the reasons why the Independent Committee, having been so advised by Numis Securities, considers the terms of the Offer to be fair and reasonable and why the Independent Committee recommends that you accept the Offer, as the members of the Independent Committee have agreed to do in respect of their own beneficial holdings of FireOne Shares and RSUs (representing approximately 0.24 per cent of the issued ordinary share capital of FireOne on a fully diluted basis). In providing advice to the Independent Committee, Numis Securities has taken into account the commercial assessments of the Independent Committee.

To accept the Offer (whether or not your FireOne Shares are in CREST) you should:

- check the details of your personalised Form of Acceptance;
- complete the Form of Acceptance in accordance with the instructions set out therein;
- sign the Form of Acceptance and have your signature witnessed; and
- return the completed Form of Acceptance to:

Capita Corporate Registrars Plc, by post at **PO Box 7117, Dublin 2, Ireland** or (during normal business hours only) by hand to **Unit 5 Manor Street Business Park, Manor Street, Dublin 7** as soon as possible but, in any event, so as to be received by no later than 3.00pm on 12 January 2007. The procedure for acceptance is set out in paragraph 10 of this letter.

2. The Offer

Optimal Acquisition hereby offers to acquire the entire issued and to be issued ordinary share capital of FireOne subject to the conditions and further terms set out in Appendix I of this document and in the accompanying Form of Acceptance on the following basis:

For each FireOne Share	60p in cash
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The Offer values the entire issued and to be issued ordinary share capital of FireOne at approximately £32.4 million. The Offer represents:

- a premium of approximately 12 per cent. over 53.5p, being the Closing Price of a FireOne Share on 14 December 2006, the last Business Day prior to the commencement of the Offer Period;
- a premium of approximately 21 per cent. over 49.68p, being the average Closing Price of a FireOne Share in the one month prior to the commencement of the Offer Period; and
- a premium of approximately 36 per cent. over 44p, being the value of net cash per share (on a fully diluted basis) in FireOne's balance sheet as at 30 September 2006 (based on an exchange rate of Stg£1: US\$1.96).

The Offer extends to all FireOne Shares unconditionally allotted or issued on today's date, together with any further such shares which are unconditionally allotted or issued (including pursuant to the exercise of RSUs under the RSU Plan) while the Offer remains open for acceptance or until such earlier date as, subject to the Takeover Rules, Optimal Acquisition may decide.

The FireOne Shares are to be acquired fully paid and free from all liens, charges and encumbrances, rights of pre-emption and any other third party rights or interests of any nature whatsoever and together with all rights attaching thereto, including the right to receive all dividends and other distributions (if any) declared, made or paid thereafter.

The cash consideration will be paid to validly accepting FireOne Shareholders within 14 days of the Offer becoming or being declared wholly unconditional and in respect of those FireOne Shareholders who accept the Offer thereafter (but while the offer remains open for acceptance) within 14 days of receipt of their acceptance of the Offer. See paragraph 8 of Appendix IV of this document for a general guide to Irish and UK taxation.

The conditions and further terms of the Offer are set out in Appendix I of this document and in the accompanying Form of Acceptance.

3. Undertakings to accept the Offer

Irrevocable undertakings to accept the Offer have been received from the following:

- (a) the FireOne directors in respect of, in aggregate, 901,846 Ordinary Shares and RSUs representing 1.67% of the issued ordinary share capital of FireOne on a fully diluted basis as follows:
 - (i) John Greely, Non-Executive, in respect of 10,000 Ordinary Shares and 28,315 RSUs;

- (ii) Declan O'Neill, Non-Executive, in respect of 14,479 Ordinary Shares and 13,038 RSUs;
 - (iii) Paschal Taggart, Non-Executive, in respect of 14,479 Ordinary Shares and 13,038 RSUs;
 - (iv) Roger Withers, Non-Executive, in respect of 14,479 Ordinary Shares and 19,557 RSUs;
 - (v) Benjamin Dalfen, Executive, in respect of 412,853 RSUs;
 - (vi) Leon Garfinkle, Non-Executive Chairman, in respect of 148,844 RSUs;
 - (vii) Shaun Lavelle, Executive, in respect of 30,783 RSUs;
 - (viii) David Schwartz, Executive, in respect of 181,981 RSUs;
- (b) OGI in respect of 7,500,000 Ordinary Shares;
- (c) OG Processing Services Holdings in respect of 32,500,000 Ordinary Shares.

The undertakings set out above shall cease to have effect in circumstances where:

- the Offer is withdrawn or lapses; or
- after the date of posting of this Offer Document a third party, in accordance with the Takeover Rules, announces a firm intention to make a general offer for all the ordinary share capital in FireOne (not already owned by such third party) which is not subject to any pre-conditions and which is at an offer price per Ordinary Share which is more than 5 per cent above the Offer made by Optimal Acquisition.

The total number of Ordinary Shares and RSUs in respect of which Irrevocable Undertakings have been provided is therefore 40,901,846 representing, in aggregate, 75.84% of the issued Ordinary Share capital of FireOne on a fully diluted basis.

4. **Information on Optimal Acquisition**

Optimal Acquisition is a company incorporated under the laws of Canada and is a wholly owned subsidiary of OGI. Optimal Acquisition has not traded since the date of its incorporation and has no employees, nor has it entered into any obligations other than in connection with the Offer and the financing of the Offer, further details of which are set out in paragraph 6 below and in Appendix IV.

5. **Information on OGI**

OGI is a payments company with operations throughout North America, the United Kingdom and Ireland. Through the Optimal Payments Group, OGI processes credit card payments for Internet businesses, mail-order/telephone-order and retail point-of-sale merchants, and processes electronic cheques and direct debits online and by phone. Through the FireOne Group, OGI processes online transactions through the use of credit and debit cards, electronic debits and through the FirePay Wallet

OGI continues to focus on and refine its strategic plan, both operationally and as it relates to the corporate structure of the OGI Group, following the recent passage of the United States Unlawful Internet Gambling Enforcement Act of 2006.

OGI intends to pursue a strategy of establishing the Optimal Payments Group as a leader in providing secure electronic payment and risk management solutions to businesses that sell and deliver goods and services over the Internet, wireless, or generally in a card-not-present

environment. OGI further sees opportunities in specific industry verticals, such as Internet-based financial services and stored value and peer-to-peer money transfers, and intends to dedicate resources to establish a strong position in such markets.

At the same time, OGI is actively exploring opportunities that can be integrated into its existing operations, and which may offer high rates of return, when overlaid onto its existing payment processing operations. In that regard, OGI has particular interest in situations that can add scale and leverage to its online processing activities. Following the acquisition of FireOne, OGI intends to combine the operations of the FireOne Group with those of the Optimal Payments Group and to capitalise on the FirePay Wallet, expanding the geographic scope of its offerings as well as providing multi-currency functionality.

6. **Intentions regarding FireOne and employees of FireOne**

(a) **Intentions regarding the future business of the FireOne Group**

The directors of Optimal Acquisition intend that the existing business currently carried on by the FireOne Group will be continued and an attempt will be made to develop the business through possible alternative uses for the FirePay Wallet and an expansion of the credit card acquiring business currently operated by the FireOne Group. In addition, it is hoped to combine the business currently carried on by Optimal Payments UK, a subsidiary of OGI, with the business currently carried on by the FireOne Group.

(b) **Strategic plans for FireOne and their likely repercussions on employment and the locations of FireOne's places of business.**

The strategic plans are as set out in (a) above. The directors of Optimal Acquisition do not believe that the plans will affect the employees currently employed by FireOne or the location of FireOne's places of business.

(c) **Intentions regarding any redeployment of the fixed assets of FireOne Group**

The directors of Optimal Acquisition do not intend to redeploy the existing fixed assets of FireOne or any member of the FireOne Group following acceptance of the Offer.

(d) **Long term commercial justification for the Offer**

The directors of Optimal Acquisition believe that the operational synergies and benefits of scale which FireOne would benefit from as a privately held, wholly owned entity within the OGI Group following completion of the Offer will offer the opportunity for the improved performance of FireOne and its business.

(e) **Intentions with regard to the safeguarding of the employment of the employees and management of the FireOne Group including any material change to the conditions of employment**

The directors of Optimal Acquisition intend that the employment rights of the employees and management of the FireOne Group will be fully safeguarded and that there will be no material change to the conditions of employment of such employees or management on closing of the Offer.

7. **Financing the Offer**

The Offer will be financed by the subscription by OGI for common shares in the capital of Optimal Acquisition, with such subscription being subject to the satisfaction or waiver by Optimal Acquisition of the conditions of the Offer.

8. **RSU Plan**

The Offer extends to any FireOne Shares unconditionally allotted or issued while the Offer remains open for acceptance pursuant to the exercise of RSUs granted under the RSU Plan. Appropriate proposals will also be made by Optimal Acquisition to FireOne RSU Holders.

9. **Irish and United Kingdom taxation**

The attention of FireOne Shareholders is drawn to paragraph 8 in Appendix IV of this document, "Irish and UK taxation". If you are in any doubt as to your tax position, or if you require more detailed information or if you are subject to taxation in any jurisdiction other than Ireland or the United Kingdom, you should consult your independent professional adviser immediately.

10. **Procedure for acceptance of the Offer**

This paragraph should be read together with Part C of Appendix I of this document and the instructions and notes set out in the Form of Acceptance. The instructions and notes printed on the Form of Acceptance shall be deemed to form part of the terms of the Offer.

(a) **Completion of Form of Acceptance**

You should note that, if you hold FireOne Shares in both certificated and uncertificated (that is to say, in CREST) form, you should complete a separate Form of Acceptance for each holding. In addition, you should complete a separate Form of Acceptance for FireOne Shares held in uncertificated form but under different member account IDs and a separate Form of Acceptance for FireOne Shares held in certificated form but under different designations. Additional Forms of Acceptance are available from **Capita Corporate Registrars Plc, Unit 5 Manor Street Business Park, Manor Street, Dublin 7, Ireland** (Telephone: +353 1 810 2400).

To accept the Offer in respect of all of your FireOne Shares, you must complete Boxes 1 and 3 (and, if your FireOne Shares are in CREST, Box 4), and, where appropriate, Box 2, Box 5 and Box 6, in each case on page 3 of the Form of Acceptance.

In all cases to accept the Offer you must sign Box 3 of the enclosed Form of Acceptance in the presence of an independent witness who should also sign it, in accordance with the instructions printed thereon.

If you have any questions as to how to complete the Form of Acceptance, or if you have lost your share certificates and/or other documents of title and require guidance, please telephone **Capita Corporate Registrars Plc on +353 1 810 2400**. Please note that for legal reasons, Capita Corporate Registrars Plc will only be able to provide you with information contained in this document and will be unable to give any advice on the merits of the Offer or to provide personal legal, financial or tax advice on the contents of this document.

(b) **Return of Form of Acceptance**

To accept the Offer, the Form of Acceptance must be completed and returned (whether or not your FireOne Shares are held in CREST) by post or (during normal business hours only) by hand to **Capita Corporate Registrars Plc, Unit 5, Manor Street Business Park, Manor Street, Dublin 7** as soon as possible and, in any event, so as to be received by **no later than 3.00pm (Dublin Time) on 12 January 2007**. The completed Form of Acceptance should, if your FireOne Shares are in certificated form, be accompanied by the share certificate(s) for your FireOne Shares and/or other documents of title. A reply-paid envelope is enclosed for your convenience. No acknowledgement of receipt of documents will be given by or on behalf of Optimal Acquisition. All communications, notices, certificates, documents of title and remittances to be delivered by or sent to or from any FireOne Shareholder will

be delivered by or sent to or from him/her (or his/her designated agents) at his/her own risk.

The availability of the Offer to persons not resident in Ireland may be affected by the laws of the relevant jurisdiction. Persons who are not resident in Ireland should obtain advice and observe any applicable requirements. The Offer is not being made, directly or indirectly, in, into or from, or by use of the mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce, or any facility of a national securities exchange of Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to make the Offer and the Offer should not be accepted by any such use, means, instrumentality or facility, or from within Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to make the Offer. Accordingly, copies of this document and the Form of Acceptance and any related offering documents are not being and must not be mailed, forwarded, sent, transmitted or otherwise distributed in, into or from Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to make the Offer and persons receiving such documents (including, without limitation, custodians, nominees and trustees) must not distribute, forward, mail or transmit or send them in, into or from Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to make the Offer. Doing so may render invalid any purported acceptance of the Offer by persons in any such jurisdiction.

(c) **Share certificates not readily available or lost**

If your FireOne Shares are in certificated form, a completed and signed Form of Acceptance should be accompanied by the relevant share certificate(s) and/or other document(s) of title. If for any reason the relevant share certificate(s) and/or the other document(s) of title is/are lost or not readily available, you should nevertheless complete, sign and return the Form(s) of Acceptance in the manner set out in paragraph 10(b) above, so as to be received by **Capita Corporate Registrars Plc, Unit 5, Manor Street Business Park, Manor Street, Dublin 7 by no later than 3.00pm (Dublin Time) on 12 January 2007**, together with any share certificate(s) and/or other document(s) of title which you may have available and a letter stating that the balance will follow or that you have lost one or more of your share certificate(s) and/or other document(s) of title, as the case may be. You should then arrange for the relevant share certificate(s) and/or other document(s) of title to be forwarded as soon as possible. No acknowledgment of receipt of documents will be given. If you have lost your share certificate(s) and/or other document(s) of title, you should contact FireOne's registrar **Capita Corporate Registrars Plc by post to Unit 5, Manor Street Business Park, Manor Street, Dublin 7, Ireland or by telephone on +353 1 810 2400**, for a letter of indemnity for lost share certificate(s) and/ or other document(s) of title which, when completed in accordance with the instructions given, should be returned by post at PO Box 7117, Dublin 2, Ireland or (during normal business hours only) by hand to **Capita Corporate Registrars Plc, Unit 5, Manor Street Business Park, Manor Street, Dublin 7, Ireland** in the manner set out in paragraph 10 (b) above.

(d) **Additional procedures for FireOne Shares in uncertificated form (that is, in CREST)**

If your FireOne Shares are in uncertificated form, you should insert in Box 4 of the enclosed Form of Acceptance, the Participant ID and the Member Account ID, under which such FireOne Shares are held by you in CREST and otherwise complete and return the Form of Acceptance in the manner described in paragraphs 10(a) and 10(b) above. In addition, you should take (or procure to be taken) the action set out below in this paragraph 10(d) to transfer the FireOne Shares in respect of which you wish to accept the Offer to an escrow balance (that is, a TTE instruction) specifying **Capita Corporate Registrars Plc** (in its capacity as a CREST participant under its Participant ID referred to below) as the Escrow Agent as soon as possible **and in any event so**

that the transfer to escrow (TTE) instruction settles by no later than 3.00pm Dublin Time on 12 January 2007. If you are a CREST sponsored member, you should refer to your CREST sponsor before taking any action. Your CREST sponsor will be able to confirm details of your Participant ID and the Member Account ID under which your FireOne Shares are held. In addition, only your CREST sponsor will be able to send the TTE instruction to CRESTCo in relation to your FireOne Shares.

You must send (or, if you are a CREST sponsored member, ensure that your CREST sponsor sends) a TTE instruction to CRESTCo which is properly authenticated in accordance with CRESTCo's specifications and which must contain, in addition to the other information that is required for a TTE instruction to settle in CREST, the following details:

- (i) the number of FireOne Shares to be transferred to an escrow balance;
- (ii) your Member Account ID. This must be the same Member Account ID as that inserted in Box 4 on page 3 of the Form of Acceptance;
- (iii) your Participant ID. This must be the same Participant ID as that inserted in Box 4 on page 3 of the Form of Acceptance;
- (iv) the Participant ID of the Escrow Agent (in its capacity as a CREST receiving agent). This is 7RA08;
- (v) the Member Account ID of the Escrow Agent. This is FIREONE;
- (vi) the Form of Acceptance reference number. This is the reference number that appears at Box 4 on page 3 of the Form of Acceptance. This reference number should be inserted in the first eight characters of the shared note field on the TTE instruction. Such insertion will enable **Capita Corporate Registrars Plc** to match the transfer to escrow to your Form of Acceptance. You should keep a separate record of this reference number for future reference;
- (vii) the intended settlement date. This should be as soon as possible and in any event no later than 3.00pm on 12 January 2007;
- (viii) the Corporate Action Number for the Offer. This is allocated by CRESTCo and can be found by viewing the relevant corporate action details in CREST;
- (ix) the standard CREST delivery instructions of priority 80; and
- (x) the corporate action ISIN number. This is IE00B08H5185

After settlement of the TTE instruction, you will not be able to access the FireOne Shares concerned in CREST for any transaction or charging purposes. If the Offer becomes or is declared unconditional in all respects, the Escrow Agent will transfer the FireOne Shares concerned to itself in accordance with paragraph 1(e) of Part C of Appendix I to this document.

You are recommended to refer to the CREST Manual published by CRESTCo for further information on the CREST procedures outlined above. For ease of processing, you are requested, wherever possible, to ensure that a Form of Acceptance relates to only one transfer to escrow.

If no Form of Acceptance reference number, or an incorrect Form of Acceptance reference number is included on the TTE instruction, Optimal Acquisition may treat any amount of FireOne Shares transferred to an escrow balance in favour of the Escrow Agent from the Participant ID and Member Account ID identified in the TTE instruction as relating to any Form(s) of Acceptance which relate(s) to the same

Participant ID and Member Account ID (up to the amount of FireOne Shares inserted or deemed to be inserted on the Form(s) of Acceptance concerned).

You should note that CRESTCo does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST sponsor) to enable a TTE instruction in relation to your FireOne Shares to settle prior to 3.00pm (Dublin Time) on 12 January 2007. In this regard, your attention is drawn, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Optimal Acquisition will make an appropriate announcement if any of the details contained in this paragraph 10(d) alter for any reason.

(e) **Deposits of FireOne Shares into, and withdrawals of FireOne Shares from, CREST**

Normal CREST procedures (including timings) apply in relation to any FireOne Shares that are, or are to be, converted from uncertificated to certificated form, or from certificated to uncertificated form during the course of the Offer Period (whether any such conversion arises as a result of a transfer of FireOne Shares or otherwise). Holders of FireOne Shares who are proposing to convert any such FireOne Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the FireOne Shares as a result of the conversion to take all necessary steps in connection with an acceptance of the Offer (in particular, as regards delivery of share certificate(s) and/or other document(s) of title or transfer to an escrow balance in the manner referred to in paragraph 10(d) above) prior to 3.00pm (Dublin Time) on 12 January 2007.

(f) **Validity of acceptances**

Subject to the provisions of the Takeover Rules and the terms of the Offer and without prejudice to Parts B and C of Appendix I to this document, Optimal Acquisition reserves the right to treat as valid, in whole or in part, any acceptance of the Offer which is not entirely in order or which is not accompanied by the relevant TTE instruction or (as applicable) the relevant share certificate(s) and/or other document(s) of title. In that event, no payment of cash under the Offer will be made until after any relevant TTE instruction has settled or (as applicable) the relevant share certificate(s) and/or document(s) of title or indemnities satisfactory to Optimal Acquisition have been received.

(g) **Overseas Shareholders**

The attention of FireOne Shareholders who are citizens or residents of jurisdictions outside Ireland is drawn to paragraph 8 of Part B of Appendix I and to the relevant provisions of the Form of Acceptance.

(h) **General**

If you are in any doubt as to the procedure for acceptance, please contact **Capita Corporate Registrars Plc, Unit 5, Manor Street Business Park, Manor Street, Dublin 7, Ireland. (Telephone number: +353 1 810 2400)**. You are reminded that if you are a CREST sponsored member you should contact your CREST sponsor before taking any action.

11. **Settlement**

Subject to the Offer becoming or being declared unconditional in all respects (except with the consent of the Panel and except as provided in paragraph 8 of Section B of Appendix I in the

case of certain overseas persons), settlement of the consideration to which any FireOne Shareholder is entitled under the Offer will be effected (i) in the case of acceptances of the Offer received, valid and complete in all respects, by the date on which the Offer becomes or is declared unconditional in all respects, within 14 days of such date or (ii) in the case of acceptances of the Offer received, valid and complete in all respects, after the date on which the Offer becomes or is declared unconditional in all respects but while it remains open for acceptance, within 14 days of such receipt, in the following manner:

(a) **FireOne Shares in uncertificated form (that is, in CREST)**

Where an acceptance relates to FireOne Shares in uncertificated form (that is, in CREST), the cash consideration to which the accepting FireOne Shareholder is entitled will, except in limited circumstances, be paid in pounds sterling by means of CREST by Optimal Acquisition procuring the creation of an assured payment obligation in favour of the accepting FireOne Shareholder's payment bank in respect of the cash consideration due, in accordance with the CREST assured payment arrangements. Optimal Acquisition reserves the right to settle all or any part of the consideration referred to in this paragraph 11(a) for all or any accepting FireOne Shareholder(s) in the manner referred to in paragraph 11(b) below, if, for any reason, it wishes so to do.

(b) **FireOne Shares in certificated form**

Where an acceptance relates to FireOne Shares in certificated form, settlement of any cash due will be despatched by ordinary prepaid post at the addressee's risk (or by such other manner as the Panel may approve). Subject to paragraph 11(c) below, such cash payments will be made in pounds sterling by cheque drawn on a branch of an Irish or Canadian bank, as appropriate.

(c) **General**

If the Offer lapses or is withdrawn:

- (i) in the case of FireOne Shares held in certificated form, the relevant Form of Acceptance, share certificate(s) and/or other document(s) of title will be returned by post (or such other method as the Panel may approve) within 14 days of the Offer lapsing or being withdrawn to the person or agent whose name and address (outside Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to make the Offer) is set out in Box 2 or Box 6 on page 3 of the Form of Acceptance or, if none is set out, to the first named holder at his or her registered address (outside Australia, Canada, Japan or the United States or any other jurisdiction where it would be unlawful to make the Offer); and
- (ii) in the case of FireOne Shares held in uncertificated form, **Capita Corporate Registrars Plc** will, immediately after the lapsing or withdrawal of the Offer (or within such longer period, not exceeding 14 days after the Offer lapsing or being withdrawn, as the Panel may approve), give TFE instructions to CRESTCo to transfer all FireOne Shares held in escrow balances to the original available balances of the FireOne Shareholders concerned and the relevant Form of Acceptance will be returned by post (or such other method as the Panel may approve) within 14 days of the Offer lapsing or being withdrawn to the person or agent whose name and address (outside Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to make the Offer) is set out in Box 2 or Box 6 on page 3 of the Form of Acceptance or, if none is set out, to the first named holder at his or her registered address (outside Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to make the Offer).

12. **Compulsory acquisition, de-listing and re-registration**

If the Offer becomes or is declared unconditional in all respects and sufficient acceptances have been received, Optimal Acquisition intends to apply the provisions of Section 204(1) of the Companies Act 1963 of Ireland to acquire compulsorily any outstanding FireOne Shares not acquired or agreed to be acquired pursuant to the Offer or otherwise.

As soon as it is appropriate and possible to do so, and subject to the Offer becoming declared unconditional in all respects, Optimal Acquisition intends to apply for cancellation of the listing of FireOne Shares on the AIM market of the London Stock Exchange and to propose a resolution to re-register FireOne as a private company under the relevant provisions of the Companies (Amendment) Act 1983 of Ireland. It is anticipated that the cancellation of listing will take effect no earlier than 20 Business Days after the date on which the Offer becomes or has been declared unconditional in all respects.

13. **Further information**

Your attention is drawn to the further information relating to the Offer contained in the Appendices to this document and in the accompanying Form of Acceptance.

14. **Action to be taken**

To accept the Offer (whether or not your FireOne Shares are in CREST) you should:

- check the details of your personalised Form of Acceptance;
- complete the Form of Acceptance in accordance with the instructions set out therein;
- sign the Form of Acceptance and have your signature witnessed; and
- return by post or (during normal business hours only) by hand to:

Capita Corporate Registrars Plc, by post at PO Box 7117, Dublin 2, Ireland or (during normal business hours only) by hand to **Unit 5, Manor Street Business Park, Manor Street, Dublin 7, Ireland** as soon as possible but, in any event, so as to be received by no later than **3.00pm (Dublin time) on 12 January 2007**.

If, in addition, your FireOne Shares are in CREST and you wish to accept the Offer you must take (or procure to be taken) the action described in paragraph 10(d) above.

If you are in any doubt as to the procedure for acceptance of the Offer or require assistance with completion of the Form of Acceptance, please telephone Capita Corporate Registrars Plc on +353 1 810 2400.

Please note that for legal reasons, Capital Corporate Registrars Plc will only be able to provide you with information contained in this document and will be unable to give any advice on the merits of the Offer or to provide personal legal, financial or tax advice on the contents of this document.

Yours faithfully,



Neil Wechsler
for and on behalf of
Optimal Acquisition Inc.

APPENDIX I

CONDITIONS TO AND FURTHER TERMS OF THE OFFER

PART A : CONDITIONS OF THE OFFER

The Offer which is being made by Optimal Acquisition, complies with the Takeover Rules and the rules and regulations of the AIM market of the London Stock Exchange and is subject to the terms and conditions set out below and in the Form of Acceptance.

The Offer is subject to the following conditions:

- (a) valid acceptances being received (and not, where permitted, withdrawn) by not later than 3:00p.m. (Dublin Time) on the initial closing date (or such later time(s) and/or date(s) as Optimal Acquisition may, subject to the Takeover Rules, decide) in respect of not less than 80 per cent. (or such lower percentage as Optimal Acquisition may decide with the consent of the Independent Committee) in nominal value of the FireOne Shares Affected, provided that this condition shall not be satisfied unless Optimal Acquisition shall have acquired or agreed to acquire (whether pursuant to the Offer or otherwise) FireOne Shares carrying in aggregate more than 50 per cent. of the voting rights then exercisable at a general meeting of FireOne.

For the purposes of this condition and conditions (b), (d) and (e):

- (i) any FireOne Shares which have been unconditionally allotted shall be deemed to carry the voting rights they will carry upon their being entered in the register of members of FireOne; and
- (ii) the expression "FireOne Shares Affected" shall mean:
- A. FireOne Shares which have been issued or unconditionally allotted on or before the date the Offer is made; and
- B. FireOne Shares which have been issued or unconditionally allotted after that date but before the time at which the Offer closes, or such earlier date as Optimal Acquisition may, subject to the Takeover Rules, decide (not being earlier than the date on which the Offer becomes unconditional as to acceptances or, if later, the initial closing date) but excluding any FireOne Shares which, on the date the Offer is made, are held in the beneficial ownership of Optimal Acquisition within the meaning of section 204 of the Companies Act 1963 of Ireland;
- (b) no central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory or investigative body, including any national anti-trust or merger control authorities, court, tribunal, environmental body, any analogous body whatsoever or tribunal in any jurisdiction or any person (each a "Third Party") having decided to take, institute or implement any action, proceeding, suit, investigation, enquiry or reference or having made, proposed or enacted any statute, regulation or order or having done or decided to do anything which would or would reasonably be expected to:
- (i) make the Offer or its implementation, or the acquisition or the proposed acquisition by Optimal Acquisition of the FireOne Shares Affected, or control of FireOne or any of the assets of FireOne void, illegal or unenforceable under the laws of Ireland and/or Canada, or otherwise, directly or indirectly, restrain, revoke, prohibit, materially restrict or materially delay the same or impose additional or different conditions or obligations with respect thereto (except for conditions or obligations that would not be material (in value terms or otherwise) in the context of the FireOne Group taken as a whole), or

otherwise challenge or interfere therewith (except where the result of such challenge or interference would not have, or would not reasonably be expected to have, a material adverse effect on the FireOne Group taken as a whole);

- (ii) result in a material delay in the ability of Optimal Acquisition, or render Optimal Acquisition unable, to acquire some or all of the FireOne Shares Affected or require a divestiture by Optimal Acquisition of any FireOne Shares;
 - (iii) (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the FireOne Group taken as a whole) require the divestiture by any member of the FireOne Group of all or any portion of their respective businesses, assets (including, without limitation, the shares or securities of any other member of the FireOne Group) or property or (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the FireOne Group taken as a whole) impose any material limitation on the ability of any of them to conduct their respective businesses (or any of them) or own their respective assets or properties or any part thereof;
 - (iv) impose any material limitation on or result in a material delay in the ability of Optimal Acquisition to acquire, or to hold or to exercise effectively, directly or indirectly, all or any rights of ownership of the FireOne Shares Affected, or to exercise voting or management control over, FireOne or any subsidiary or subsidiary undertaking of FireOne which is material in the context of the FireOne Group taken as a whole (a "Material Subsidiary") or (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the FireOne Group taken as a whole) on the ability of any member of the Optimal Acquisition Group to hold or exercise effectively, directly or indirectly, rights of ownership of shares (or the equivalent) in, or to exercise rights of voting or management control over, any member of the FireOne Group to the extent that FireOne has such ownership, voting or management control rights;
 - (v) (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the FireOne Group taken as a whole), require Optimal Acquisition or any member of the FireOne Group to acquire or offer to acquire any shares or other securities (or the equivalent) in, or any interest in any asset owned by, any member of the FireOne Group owned by any third party;
 - (vi) impose any limitation on the ability of any member of the Optimal Acquisition Group to integrate or co-ordinate its business, or any part of it, with the businesses of any member of the FireOne Group (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the FireOne Group taken as a whole);
 - (vii) cause any member of the FireOne Group to cease to be entitled to any Authorisation (as defined in paragraph (c) below) used by it in the carrying on of its business (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the FireOne Group taken as a whole); or
 - (viii) otherwise adversely affect the business, profits, assets, liabilities, financial or trading position of any member of the FireOne Group (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the FireOne Group taken as a whole);
- (c) all necessary notifications and filings having been made, all necessary waiting and other time periods (including any extensions thereof) under any applicable legislation or regulation of Ireland and/or Canada having expired, lapsed or having been terminated (as appropriate) (save to an extent which would not be material (in value terms or otherwise) in the context of the FireOne Group taken as a whole) and all statutory or regulatory obligations under the laws of Ireland and/or Canada having been complied with (save to an extent which would not be material (in value terms or otherwise) in the context of the FireOne Group taken as a whole),

in each case, in connection with the Offer or its implementation and all authorisations, orders, recognitions, grants, consents, clearances, confirmations, licences, permissions and approvals in Ireland ("Authorisations") having been obtained on terms and in a form reasonably satisfactory to Optimal Acquisition from all appropriate Third Parties (except where the consequence of the absence of any such Authorisation would not be material (in value terms or otherwise) in the context of the FireOne Group taken as a whole), all such Authorisations remaining in full force and effect, there being no notified intention to revoke or vary or not to renew the same at the time at which the Offer becomes otherwise unconditional and all necessary statutory or regulatory obligations in Ireland and/or Canada having been complied with (except where the consequence thereof would not be material (in value terms or otherwise) in the context of the FireOne Group taken as a whole);

- (d) all necessary waiting periods and any other time periods during which any Third Party could, in respect of the Offer or the acquisition or proposed acquisition of any FireOne Shares Affected or control of FireOne, or any member of the FireOne Group, by Optimal Acquisition, institute or implement any action, proceedings, suit, investigation, enquiry or reference under the laws of Ireland and/or Canada, which would be reasonably expected adversely to affect (to an extent which would be material (in value terms or otherwise) in the context of the FireOne Group taken as a whole) any member of the FireOne Group, having expired, lapsed or been terminated;
- (e) save for matters of which the board of Optimal Acquisition or of OGI was aware on 15 December 2006, or as Disclosed, there being no provision of any arrangement, agreement, licence, permit, franchise, facility, lease or other instrument to which any member of the FireOne Group is a party or by or to which any such member or any of its respective assets may be bound, entitled or be subject and which, in consequence of the Offer or the acquisition or proposed acquisition by Optimal Acquisition of the FireOne Shares Affected or because of a change in the control of FireOne, would or would be reasonably expected to result in (except where, in any of the following cases, the consequences thereof would not be material (in value terms or otherwise) in the context of the FireOne Group taken as whole):
 - (i) any monies borrowed by, or any indebtedness or liability (actual or contingent) of, or any grant available to any member of the FireOne Group becoming, or becoming capable of being declared, repayable immediately or prior to their or its stated maturity;
 - (ii) the creation or enforcement of any mortgage, charge or other security interest wherever existing or having arisen over the whole or any part of the business, property or assets of any member of the FireOne Group or any such mortgage, charge or other security interest becoming enforceable;
 - (iii) any such arrangement, agreement, licence, permit, franchise, facility, lease or other instrument or the rights, liabilities, obligations or interests of any member of the FireOne Group thereunder being terminated or adversely modified or any adverse action being taken or any obligation or liability arising thereunder;
 - (iv) any assets or interests of, or any asset the use of which is enjoyed by, any member of the FireOne Group being or falling to be disposed of or charged, or ceasing to be available to any member of the FireOne Group or any right arising under which any such asset or interest would be required to be disposed of or charged or would cease to be available to any member of the FireOne Group otherwise than in the ordinary course of business;
 - (v) the value of, or financial or trading position of any member of the FireOne Group being prejudiced or adversely affected; or
 - (vi) the creation of any liability or liabilities (actual or contingent) by any member of the FireOne Group,

unless if any such provision exists, such provision shall have been waived, modified or amended on terms satisfactory to Optimal Acquisition;

- (f) save for matters of which the board of Optimal Acquisition or of OGI was aware on 15 December 2006, or as Disclosed or as publicly announced (by the delivery of an announcement to the London Stock Exchange) by FireOne prior to 15 December 2006, no member of the FireOne Group having:
- (i) issued or agreed to issue additional shares of any class, or securities convertible into or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible or exchangeable securities (except for (A) issues to FireOne or wholly-owned subsidiaries of FireOne, or (B) issues which are not material (in value terms or otherwise) in the context of the FireOne Group taken as a whole) or (C) issues pursuant to the exercise of RSUs awarded under the RSU Plan prior to 15 December 2006;
 - (ii) recommended, declared, paid or made any dividend or other distribution other than dividends or other distributions lawfully paid or made to another member of the FireOne Group or which are not material (in value terms or otherwise) in the context of the FireOne Group taken as a whole;
 - (iii) save for transactions between two or more members of the FireOne Group (“intra-FireOne Group transactions”), made or proposed any change in its loan capital (save in respect of loan capital which is not material (in value or other terms) in the context of the FireOne Group taken as a whole);
 - (iv) save for intra-FireOne Group transactions, implemented any merger, demerger, reconstruction, amalgamation, scheme or (except in the ordinary and usual course of trading) acquisition or disposal of (or of any interest in) assets or shares (or the equivalent thereof) in any undertaking or undertakings (except in any such case where the consequences of any such merger, demerger, reconstruction, amalgamation, scheme, acquisition or disposal would not be material (in value terms or otherwise) in the context of the FireOne Group taken as a whole);
 - (v) except in the ordinary and usual course of business, entered into or materially improved, or made any offer (which remains open for acceptance) to enter into or materially improve, the terms of the employment contract with any director of FireOne or any person occupying one of the senior executive positions in the FireOne Group;
 - (vi) (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the FireOne Group taken as a whole), issued any loan capital or debentures or (save in the ordinary course of business and save for intra-FireOne Group transactions) incurred any indebtedness or contingent liability;
 - (vii) (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the FireOne Group taken as a whole), purchased, redeemed or repaid any of its own shares or other securities (or the equivalent) or reduced or made any other change to any part of its share capital;
 - (viii) (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the FireOne Group taken as a whole), (A) merged with any body corporate, partnership or business (save for intra-FireOne Group transactions), or (B) (save for intra-FireOne Group transactions) acquired or disposed of, transferred, mortgaged or encumbered

any material asset or any right, title or interest in any material asset (including shares and trade investments);

- (ix) (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the FireOne Group taken as a whole), entered into or varied any contract, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, onerous or unusual nature or magnitude;
 - (x) entered into or varied any contract, transaction or arrangement otherwise than in the ordinary and usual course of business (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the FireOne Group taken as a whole);
 - (xi) waived or compromised any claim which would be material (in value terms or otherwise) in the context of the FireOne Group taken as a whole;
 - (xii) (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the FireOne Group taken as a whole), been unable, or admitted in writing that it is unable, to pay its debts or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or (except as a result of an intra-FireOne Group transfer or where the consequences thereof would not be material (in value terms or otherwise) in the context of the FireOne Group taken as a whole), ceased to carry on all or a substantial part of any business;
 - (xiii) (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the FireOne Group taken as a whole), (A) save for voluntary solvent liquidations, taken any corporate action or had any legal proceedings instituted against it in respect of its winding-up, dissolution, examination or reorganisation or for the appointment of a receiver, examiner, administrator, administrative receiver, trustee or similar officer of all or any part of its assets or revenues, or (B) any analogous proceedings in Ireland; or
 - (xiv) entered into any agreement, contract or commitment to effect any of the transactions, matters or events set out in this condition (without prejudice to the exceptions to each paragraph with regard to materiality and other matters);
- (g) save for matters of which the board of Optimal Acquisition or of OGI was aware on 15 December 2006, or as Disclosed or as publicly announced by FireOne (by delivery of an announcement to the London Stock Exchange) prior to 15 December 2006:
- (i) there not having arisen any adverse change or deterioration in the business, assets, financial or trading position or profits of FireOne or any member of the FireOne Group (save to an extent which would not be material (in value terms or otherwise) in the context of the FireOne Group as a whole);
 - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the FireOne Group is or would reasonably be expected to become a party (whether as plaintiff or defendant or otherwise) and no investigation by any Third Party against or in respect of any member of the FireOne Group having been instituted or remaining outstanding by, against or in respect of any member of the FireOne Group (save where the consequences of such litigation, arbitration proceedings, prosecution or other legal proceedings or investigation are not or would not be material (in value terms or otherwise) in the context of the FireOne Group taken as a whole); and
- (h) for the purposes of the conditions set out above:

- (i) "Disclosed" means fairly disclosed by or on behalf of FireOne, in writing, to OGI, Optimal Acquisition or Genuity Capital or its or their respective employees, officers or advisers at any time up to 15 December 2006;
- (ii) "FireOne Group" means FireOne, its subsidiaries and subsidiary undertakings;
- (iii) "initial closing date" means 3.00 p.m. (Dublin time) on 12 January 2007, unless and until Optimal Acquisition in its discretion shall have extended the initial offer period, in which case the term "initial closing date" shall mean the latest time and date at which the initial offer period, as so extended by Optimal Acquisition, will expire or, if earlier, the date on which the Offer becomes or is declared unconditional in all respects;
- (iv) "initial offer period" means the period from the date of this document to and including the initial closing date; and
- (v) "parent undertaking", "subsidiary undertaking", "associated undertaking" and "undertaking" have the meanings given by the European Communities (Companies: Group Accounts) Regulations, 1992 of Ireland.

Subject to the requirements of the Panel, Optimal Acquisition reserves the right (but shall be under no obligation) to waive, in whole or in part, all or any of the above conditions apart from condition (a).

The Offer will lapse unless all of the conditions set out above have been fulfilled or (if capable of waiver) waived or, where appropriate, have been determined by Optimal Acquisition to be or to remain satisfied on the day which is 21 days after the later of the initial closing date, the date on which condition (a) is fulfilled or such later date as Optimal Acquisition may, with the consent of the Panel (to the extent required) decide. Except for condition (a), Optimal Acquisition shall not be obliged to waive (if capable of waiver) or treat as satisfied any condition by a date earlier than the latest day for the fulfilment of all conditions referred to in the previous sentence, notwithstanding that any other condition of the Offer may at such earlier date have been waived or fulfilled or that there are at such earlier dates no circumstances indicating that the relevant condition may not be capable of fulfilment.

PART B: FURTHER TERMS OF THE OFFER

1. Preliminary

- (a) The following terms apply, unless the context otherwise requires, to the Offer.

Except where the context requires, any reference in Parts B and C of this Appendix I and in the Form of Acceptance:

- (i) to the "Offer" shall include any revision, variation or renewal thereof, or extension thereto;
- (ii) to the "Offer becoming unconditional" shall include the Offer being declared unconditional;
- (iii) to the Offer being, becoming or being declared "unconditional" shall be construed as the Offer being, becoming or being declared unconditional as to acceptances whether or not any other condition of the Offer remains to be fulfilled;
- (iv) to the "acceptance condition" shall mean the condition as to acceptances of the Offer set out in paragraph (a) of Part A of this Appendix I and references to the Offer becoming unconditional as to acceptances shall be construed accordingly;
- (v) to the "Offer Document" shall mean this document and any other document containing, or containing details of, the Offer;
- (vi) to an "extension of the Offer" includes an extension of the date by which the acceptance condition has to be satisfied; and
- (vii) to "acceptances" of the Offer shall include deemed acceptances of the Offer.

2. Acceptance period

- (a) The Offer will initially be open for acceptance until 3.00 pm (Dublin time) on Day 21. Although no revision is envisaged, if the Offer is revised it will remain open for acceptance for a period of at least 14 days (or such other periods as may be permitted by the Panel) following the date on which written notification of the revision is posted to FireOne Shareholders. Except with the consent of the Panel, no revision of the Offer may be made and no revision of the Offer Document may be posted after Day 46 or, if different, the date which is 14 days prior to the last date on which the Offer can become unconditional.
- (b) The Offer, whether revised or not, shall not (except with the consent of the Panel) be capable of becoming unconditional after 5.00 pm (Dublin time) on Day 60 (or any other time or date beyond which Optimal Acquisition has stated that the Offer will not be extended and in respect of which it has not withdrawn that statement), nor of being kept open for acceptance after that time or date unless it has previously become unconditional, provided that Optimal Acquisition reserves the right, with the permission of the Panel, to permit the Offer to become unconditional at a later time(s) or date(s).
- (c) If the Offer becomes unconditional, the Offer will remain open for acceptance for not less than 14 days after the date on which it would otherwise have expired. If the Offer has become unconditional and it is stated by Optimal Acquisition that it will remain open until further notice, not less than 14 days notice in writing prior to the closing of the Offer will be given to those FireOne Shareholders who have not accepted the Offer.

- (d) If a competitive situation (as defined by the Panel) arises after a “no extension” statement or a “no increase” statement (as defined by the Panel) has been made by or on behalf of Optimal Acquisition in relation to the Offer, Optimal Acquisition may, if it has specifically reserved the right to do so at the time the statement is made, or otherwise with the consent of the Panel, withdraw such statement provided that it complies with the requirements of the Takeover Rules and in particular that:
- (i) it announces the withdrawal as soon as possible and in any event within four Business Days of the firm announcement of the competing offer or other competitive situation;
 - (ii) FireOne Shareholders are notified in writing of the withdrawal at the earliest practicable opportunity; and
 - (iii) any FireOne Shareholders who accept the Offer after the date of the “no extension” or “no increase” statement are given a right of withdrawal in accordance with paragraph 5(c) below and such right is included appropriately and prominently in the notice;

Optimal Acquisition may, if it specifically reserves the right to do so at the time the statement is made, choose not to be bound by the terms of a “no extension” statement and/or a “no increase” statement if it would otherwise prevent the posting of an increased or improved offer provided that such offer is recommended for acceptance by the Independent Committee or in other circumstances permitted by the Panel.

3. **Acceptance condition**

- (a) Except with the consent of the Panel or otherwise in accordance with the Takeover Rules, for the purpose of determining whether the acceptance condition is satisfied, Optimal Acquisition may only take into account acceptances received in respect of which all relevant documents are received by **Capita Corporate Registrars Plc**:
- (i) by 1.00 pm (Dublin time) on Day 60 (or any other time and/or date beyond which Optimal Acquisition has stated that the Offer will not be extended and in respect of which it has not withdrawn that statement); or
 - (ii) if the Offer is extended with the consent of the Panel, such later time(s) or date(s) as the Panel may agree.

If the latest time at which the Offer may become unconditional is extended beyond 5:00pm (Dublin time) on Day 60, acceptances received and purchases made in respect of which the relevant documents are received by **Capita Corporate Registrars Plc** after 1.00 pm (Dublin time) on that date may (except where the Takeover Rules permits otherwise) only be taken into account with the agreement of the Panel.

- (b) Except as otherwise agreed by the Panel, and notwithstanding the right reserved by Optimal Acquisition to treat a Form of Acceptance as valid even though not entirely in order or not accompanied by the relevant share certificate(s) and/or other document(s) of title or not accompanied by the relevant transfer to escrow:
- (i) an acceptance of the Offer will only be treated as valid for the purposes of the acceptance condition if the relevant requirements of Rule 10.3 and, if applicable, Rule 10.5 of the Takeover Rules are satisfied in respect of it;
 - (ii) a purchase of FireOne Shares by Optimal Acquisition or its nominees (or if Optimal Acquisition is required by the Panel to make an offer for FireOne Shares under Rule 9 or Rule 37 of the Takeover Rules by a person acting in concert with Optimal Acquisition or its nominees) will only be treated as valid for the purposes of the acceptance condition if the relevant requirements of

Rule 10.4 and, if applicable, Rule 10.5 of the Irish Takeover Rules are satisfied in respect of it; and

- (iii) before the Offer may become or be declared unconditional, **Capita Corporate Registrars Plc** must have issued a certificate to Optimal Acquisition (or its agents) which states the number of FireOne Shares in respect of which acceptances have been received which comply with Rule 10.3 and, if applicable, Rule 10.5 of the Takeover Rules and the number of FireOne Shares otherwise acquired, whether before or during the Offer period, which comply with the relevant provisions of this paragraph 3(b). A copy of such certificate will be sent to the Panel as soon as possible after it is issued.
- (c) For the purpose of determining whether the acceptance condition is satisfied, Optimal Acquisition shall be bound (unless with the consent of the Panel) to take into account any FireOne Shares which have been unconditionally allotted or issued, or which arise as a result of the exercise of subscription or conversion rights before the determination takes place.

4. Announcements

- (a) Without prejudice to paragraph 5 below, by 8.00am (Dublin time) on the Business Day (the “relevant day”) following the day on which the Offer is due to expire or become unconditional or is revised or extended (as the case may be), or such later time and/or date as the Panel may agree, Optimal Acquisition shall make an appropriate announcement and simultaneously inform the London Stock Exchange of the position. In the Optimal Acquisition announcement, it will also state (unless otherwise permitted by the Panel) the total number of FireOne Shares and rights over FireOne Shares (as nearly as practicable);
 - (i) for which acceptances of the Offer have been received by **Capita Corporate Registrars Plc**;
 - (ii) acquired or agreed to be acquired by or on behalf of Optimal Acquisition or by any person deemed to be acting in concert with Optimal Acquisition for the purposes of the Offer during the course of the Offer Period;
 - (iii) held by or on behalf of Optimal Acquisition or any person deemed to be acting in concert with Optimal Acquisition prior to the Offer Period; and
 - (iv) for which acceptances of the Offer have been received by **Capita Corporate Registrars Plc** from any person acting or deemed to be acting in concert with Optimal Acquisition for the purposes of the Offer,

and the announcement will specify the percentage of the issued share capital of FireOne represented by each of these figures.

Any decision to extend the time or date by which the acceptance condition has to be fulfilled may be made at any time up to, and will be announced not later than, 8.00 am (Dublin Time) on the relevant day (or such later time or date as the Panel may agree) and the announcement will state the next expiry time and date, (unless the Offer is then unconditional, in which case a statement may instead be made that the Offer will remain open until further notice) and the information specified in (i), (ii), (iii) and (iv) of this paragraph (a).

- (b) In calculating the number of FireOne Shares represented by acceptances and/or purchases, Optimal Acquisition may only include acceptances and purchases if they could be counted towards fulfilling the acceptance condition under Rules 10.3 and 10.4 and, if appropriate, 10.5 of the Takeover Rules, unless the Panel agrees otherwise. Subject to this, Optimal Acquisition, may include or exclude, for

announcement purposes, acceptances and purchases not in all respects in order or which are subject to verification.

In this Appendix I, references to the making of an announcement or the giving of notice by or on behalf of Optimal Acquisition include the release of an announcement by Optimal Acquisition to the press and the delivery by hand or telephone, telex or facsimile or other electronic transmission of an announcement to the London Stock Exchange. An announcement made otherwise than to the London Stock Exchange will be notified simultaneously to the London Stock Exchange.

5. Rights of withdrawal

- (a) If Optimal Acquisition, having announced the Offer to be unconditional, fails by 3.30 pm (Dublin time) on the relevant day (or such later time and /or date as the Panel may agree) to comply with any of the other requirements specified in paragraph 4(a) above, an accepting FireOne Shareholder may withdraw his acceptance by written notice signed by such person and given either by post (during normal business hours only) or by hand to **Capita Corporate Registrars Plc, Unit 5, Manor Street Business Park, Manor Street, Dublin 7, Ireland** on behalf of Optimal Acquisition. Subject to paragraph 2(b) of this Part B, this right of withdrawal may be terminated not less than 8 days after the relevant day by Optimal Acquisition confirming, if that is the case, that the Offer is still unconditional and complying with the other requirements specified in paragraph 4(a) above. If such confirmation is given, the first period of 14 days referred to in paragraph 2(c) above will run from the date of such confirmation and compliance.
- (b) If by 3.00 pm (Dublin time) on Day 42 (or such later time(s) and/or date(s) as the Panel may agree) the Offer has not become unconditional, an accepting FireOne Shareholder may thereafter withdraw his acceptance by written notice given by post or (during normal business hours only) by hand to **Capita Corporate Registrars Plc, Unit 5, Manor Street Business Park, Manor Street, Dublin 7, Ireland** before the earlier of:
 - (i) the time that the Offer becomes unconditional; and
 - (ii) the final time for the lodgement of acceptances which can be taken into account in accordance with paragraph 2(b) of this Part B.
- (c) If “a no increase” and/or a “no extension” statement is withdrawn in accordance with paragraph 2(d) above, any person who accepts the Offer after the date of the statement may withdraw his acceptance thereafter by written notice in the manner referred to in paragraph 5(a) above for a period of 8 days after the date on which the notice withdrawing such statement is posted to FireOne Shareholders.
- (d) Except as provided by this paragraph 5, acceptances shall be irrevocable.
- (e) In this paragraph 5, “written notice” (including any letter of appointment, direction or authority) means notice in writing bearing the original signature(s) of the relevant person(s) accepting the Offer or his/their agent(s) duly authorised in writing (evidence of whose appointment and authorisation in a form satisfactory to Optimal Acquisition is produced with the notice). Telex, email, facsimile transmission or other electronic transmissions or copies will not be sufficient to constitute written notice. No notice which is postmarked in, or otherwise appears to Optimal Acquisition or its agents to have been sent from, Australia, Canada, Japan or the United States or any other jurisdiction where it would be unlawful to make the Offer will be treated as valid.

6. Revised Offer

- (a) Although no revision is envisaged, if the Offer (in its original or any previously revised form) is revised (either in its terms and conditions or in the value or form of the

consideration offered), the benefit of the revised Offer will be made available to each FireOne Shareholder who has accepted such Offer in its original or any revised form(s) (a "Previous Acceptor") provided such revision represents on the date on which it is announced (on such basis as Optimal Acquisition may consider appropriate) an improvement or no diminution in the value of the consideration offered compared with the consideration or terms previously offered. The acceptance by or on behalf of a Previous Acceptor of the relevant Offer in its original or any revised form(s) shall, subject as provided in paragraphs 6(c), 6(d) and 8, be deemed to be an acceptance of the Offer as so revised and shall constitute the separate appointment of Optimal Acquisition or any director of Optimal Acquisition as his attorney and/or agent with authority:

- (i) to accept the revised Offer on his behalf;
- (ii) if the revised Offer includes alternative forms of consideration, to make such election(s) for and/or accept the alternative forms of consideration on his behalf in the proportions as it/he may in its/his absolute discretion determine; and
- (iii) to execute on his behalf and in his name all such further documents (if any) as may be required to give effect to such acceptances and/or election(s).

In making any election or acceptance such attorney and/or agent shall take into account the nature of any previous election or acceptance made by the Previous Acceptor and such other facts or matters it/he may reasonably consider relevant.

- (b) Subject to paragraph 6(d) below, the authorities and powers of attorney conferred by this paragraph 6 and any acceptance of any revised Offer and/or any election pursuant thereto shall be irrevocable unless and until the Previous Acceptor becomes entitled to withdraw his acceptance under paragraph 5 above and duly does so.
- (c) The deemed acceptance referred to in paragraph 6(a) of this Part B shall not apply and the power of attorney and authorities conferred by that paragraph shall not be exercised if, as a result, the Previous Acceptor would (on such basis as Optimal Acquisition may consider appropriate) receive less in aggregate in consideration under the revised Offer than he would have received in aggregate in consideration as a result of his acceptance of the Offer in the form originally accepted by him or on his behalf, unless such Previous Acceptor has previously agreed in writing to receive less in aggregate in consideration.
- (d) The deemed acceptance referred to in paragraph 6(a) of this Part B shall not apply and the power of attorney and the authorities conferred by that paragraph shall be ineffective in the case of a Previous Acceptor who lodges with **Capita Corporate Registrars Plc** within 14 days of the posting of the document containing the revised Offer, a Form of Acceptance (or any other form issued on behalf of Optimal Acquisition) in which he validly elects to receive consideration under the revised Offer in some other manner.
- (e) Optimal Acquisition reserves the right, subject to paragraphs 6(c) and (d) above, to treat an executed Form of Acceptance which is received or dated on or after the announcement of any revision of the Offer as a valid acceptance of the revised Offer and, where applicable, a valid election for the alternative forms of consideration then included in the revised Offer and such acceptance shall constitute an authority in the terms of this paragraph 6 mutatis mutandis on behalf of the relevant FireOne Shareholder.

7. General

- (a) Except with the consent of the Panel, the Offer will lapse unless all its conditions have been satisfied or (if capable of waiver) waived by Day 42 or by midnight (Dublin time)

on the date which is 21 days after the date on which the Offer becomes unconditional, whichever is the later, or such later date as Optimal Acquisition, with the consent of the Panel, may decide. If the Offer lapses for any reason:

- (i) it will not be capable of further acceptance;
 - (ii) accepting FireOne Shareholders and Optimal Acquisition will not be bound by any Form of Acceptance submitted before the time the Offer lapses; and
 - (iii) in respect of FireOne Shares held in certificated form, the Form of Acceptance, share certificates and documents of title will be returned by post (or by such other method as the Panel may approve) within 14 days of the Offer lapsing to the person (or first-named person in the case of joint holders) or agent whose name and address (outside Australia, Canada, Japan or the United States or any other jurisdiction where it would be unlawful to make the offer) is set out in Box 2 or Box 6 on the Form of Acceptance or if none is set out, to the first-named holder at his registered address and in respect of FireOne Shares held in CREST, the Escrow Agent will immediately, upon the offer lapsing, give instructions to CRESTCo to transfer all FireOne Shares held in escrow balances and in relation to which it is the escrow agent for the purposes of the Offer to the original available balances of the FireOne Shareholders concerned.
- (b) Except with the consent of the Panel, settlement of the consideration to which any FireOne Shareholder is entitled under the Offer will be implemented in full in accordance with the terms of the Offer and as otherwise set out in this document without regard to any lien, right of set-off, counterclaim or other analogous rights to which Optimal Acquisition may otherwise be, or claim to be, entitled as against the FireOne Shareholder.
- (c) The Offer is made on 22 December 2006 and is capable of acceptance thereafter. Copies of this document and the Form of Acceptance are available from **Capita Corporate Registrars Plc, Unit 5, Manor Street Business Park, Manor Street, Dublin 7, Ireland**. The Offer is being made by means of this document and by the Advertisement.
- (d) The terms, provisions, instructions and authorities contained in or deemed to be incorporated in the Form of Acceptance constitute part of the terms of the Offer. Words and expressions defined in this document have the same meanings when used in the Form of Acceptance unless the context otherwise requires. The provisions of this Appendix I shall be deemed to be incorporated in and form part of each Form of Acceptance.
- (e) The Offer and any acceptances thereunder are governed by Irish law and are subject to the exclusive jurisdiction of the courts of Ireland which exclusivity will not limit the right to seek provisional or protective relief in the courts of another state, during or after any substantial proceedings have been instituted in Ireland, nor shall it limit the right to bring enforcement proceedings in another state on foot of an Irish judgment. Execution by or on behalf of a FireOne Shareholder of a Form of Acceptance will constitute his submission, in relation to all matters arising out of or in connection with the Offer and the Form of Acceptance, to the jurisdiction of the courts of Ireland and his agreement that nothing shall limit the right of Optimal Acquisition to bring any action, suit or proceeding arising out of or in connection with the Offer and the Form of Acceptance in any other manner permitted by law or in any court of competent jurisdiction.
- (f) If the expiry date of the Offer is extended, a reference in this document and in the Form of Acceptance to Day 21 shall, be deemed to refer to the expiry date of the Offer as so extended.

- (g) Any omission to despatch this document, the Form of Acceptance or any notice required to be despatched under the terms of the Offer to, or any failure to receive the same by, any person to whom the Offer is, or should be made, shall not invalidate the Offer in any way. Subject to the provisions of paragraph 8 below, the Offer is made to any FireOne Shareholder to whom this document and the Form of Acceptance or any related documents may not have been despatched, and these persons may collect the relevant documents from **Capita Corporate Registrars Plc, Unit 5, Manor Street Business Park, Manor Street, Dublin 7, Ireland.**
- (h) All powers of attorney, appointment of agents and authorities on the terms conferred by or referred to in this Appendix I or in the Form of Acceptance are given by way of security for the performance of the obligations of the FireOne Shareholder concerned and are irrevocable (for so long as any obligations remain outstanding) except in the circumstances where the donor of such power of attorney, appointment or authority is entitled to withdraw his acceptance in accordance with paragraph 5 above, and duly does so, or in the circumstances referred to in paragraph 6(d) above.
- (i) No acknowledgement of receipt of any Forms of Acceptance, transfer by means of CREST or document of title will be given by, or on behalf of Optimal Acquisition. All communications, notices, certificates, documents of title and remittances to be delivered by, or sent to or from, FireOne Shareholders or their designated agent(s) will be delivered or sent at their own risk.
- (j) Without prejudice to any other provision in this Part B of Appendix I, Optimal Acquisition reserves the right to treat acceptances of the Offer as valid if received by it or on its behalf them at any place or places or in any manner determined by any of them otherwise than as set out herein or in the Forms of Acceptance.
- (k) Optimal Acquisition reserves the right to notify any matter (including the making of the Offer) to all or any FireOne Shareholder(s) with registered address(es) outside Ireland or whom Optimal Acquisition know to be nominees, trustees or a custodian for such persons by announcement or paid advertisement in any daily newspaper published and circulated in each of Ireland and the UK in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any such shareholders to receive such notice, and all references in this document to notice in writing by or on behalf of Optimal Acquisition shall be construed accordingly.
- (l) If the Offer becomes or is declared unconditional in all respects, Optimal Acquisition intends to procure the making of an application by FireOne for the cancellation of the listing of FireOne Shares on the AIM Market of the London Stock Exchange. It is anticipated that such cancellation will take effect no earlier than 20 Business Days after the Offer becomes or is declared unconditional in all respects. If sufficient acceptances are received and/or sufficient FireOne Shares are otherwise acquired, Optimal Acquisition intends to apply the provisions of Section 204 of the Companies Act 1963 of Ireland to acquire compulsorily any outstanding FireOne Shares.
- (m) All references in this Appendix I to any statute or statutory provisions shall include a statute or statutory provision which amends, consolidates or replaces the same (whether before or after the date hereof).
- (n) FireOne Shares which are the subject of the Offer will be acquired by Optimal Acquisition fully paid and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption and other third party rights of any nature whatsoever and together with all rights attaching thereto, including the right to receive in full all dividends and other distributions declared or paid thereafter.
- (o) In relation to any acceptance of an Offer in respect of a holding of FireOne Shares which are in CREST, Optimal Acquisition reserves the right to make such alterations, additions or modifications to the terms of the Offer as may be necessary or desirable to give effect to any purported acceptance of the Offer, whether in order to comply

with the facilities or requirements of CREST or otherwise, provided such alteration, addition or modification is consistent with the requirements of the Takeover Rules or is otherwise made with the consent of the Panel.

8. Overseas shareholders

- (a) The making or acceptance of the Offer in, or to or by persons resident in or nationals or citizens of jurisdictions outside Ireland or to persons who are, or were, custodians, nominees or trustees of, citizens, residents or nationals of such jurisdictions (“overseas persons”) may be prohibited or affected by the laws of the relevant jurisdiction. Such persons should inform themselves about and observe any applicable legal requirements. It is the responsibility of any overseas persons wishing to accept the Offer to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities and the payment of any issue, transfer, or other taxes due in such jurisdiction. Each overseas person will be responsible for any such issue, transfer or other taxes and duties due in any overseas jurisdiction in respect of his acceptance of the Offer by whomsoever they are payable and shall indemnify and hold harmless Optimal Acquisition, and all persons acting on behalf of it in respect of such issue, transfer or other taxes and duties which they or their agents may be required to pay.
- (b) The Offer is not being made, directly or indirectly, in, into or from, or by use of the mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce, or any facility of a national securities exchange of Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to make the Offer and the Offer should not be accepted by any such use, means, instrumentality or facility, or from within Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to make the Offer. Accordingly, copies of this document and the Form of Acceptance and any related offering documents are not being and must not be mailed, forwarded, sent, transmitted or otherwise distributed in, into or from Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to make the Offer and persons receiving such documents (including, without limitation, custodians, nominees and trustees) must not distribute, forward, mail or transmit or send them in, into or from Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to make the Offer. Doing so may render invalid any purported acceptance of the Offer by persons in any such jurisdiction.

Envelopes containing Forms of Acceptance, evidence of title or other documents relating to the Offer should not be postmarked in Australia, Canada, Japan or the United States or any other jurisdiction where it would be unlawful to make the Offer or otherwise sent from Australia, Canada, Japan or the United States or any other jurisdiction where it would be unlawful to make the Offer and all acceptors must provide addresses outside Australia, Canada, Japan or the United States or any other jurisdiction where it would be unlawful to make the Offer for the receipt of the consideration to which they are entitled under the Offer or for the return of the Form of Acceptance, FireOne share certificates and/or other documents of title in relation to the FireOne Shares.

- (c) A FireOne Shareholder will, subject to paragraphs 8(e) and 8(h) below, be deemed not to have validly accepted the Offer if:
- (i) such shareholder puts “NO” in Box 5 of the Form of Acceptance and thereby does not give the representation and warranty set out in paragraph 1(c) of Part C of this Appendix I to the effect that such shareholder has not received or sent copies or originals of this document, the Form of Acceptance or any related offering documents in, into or from Australia, Canada, Japan or the United States or any other jurisdiction where it would be unlawful to make the

Offer and has not otherwise utilised in connection with the Offer, directly or indirectly, the use of mails of, or any means or instrumentality (including, without limitation, facsimile transmission, telex and telephone or email) of interstate or foreign commerce of, or any facility of a national securities exchange of, Australia, Canada, Japan or the United States or any other jurisdiction where it would be unlawful to make the Offer;

- (ii) having completed Box 2 of the Form of Acceptance with a registered address in Australia, Canada, Japan or the United States or any other jurisdiction where it would be unlawful to make the Offer, such shareholder does not insert in Box 6 of the Form of Acceptance the name and address of a person or agent outside Australia, Canada, Japan or the United States or any other jurisdiction where it would be unlawful to make the Offer to whom such shareholder wishes the consideration to which such shareholder is entitled under the Offer to be sent;
- (iii) such shareholder inserts in Box 6 of the Form of Acceptance the name and address of a person or agent in Australia, Canada, Japan or the United States or any other jurisdiction where it would be unlawful to make the Offer to whom such shareholder wishes the consideration to which such shareholder is entitled under the Offer to be sent; or
- (iv) in any case, the Form of Acceptance received from such shareholder is received in an envelope postmarked in, or which otherwise appears to Optimal Acquisition or its agents to have been sent from, or otherwise evidences use of any means or instrumentality of interstate or foreign commerce of, Australia, Canada, Japan or the United States or any other jurisdiction where it would be unlawful to make the Offer.

Optimal Acquisition reserves the right, in its sole discretion, to investigate, in relation to any acceptance whether the representation and warranty set out in paragraph 1(c) of Part C of this Appendix I could have been truthfully given by the relevant FireOne Shareholder and, if such investigation is made and, as a result, Optimal Acquisition cannot satisfy itself that such representation and warranty was true and correct, such acceptance shall not, subject to paragraphs 8(e) and 8(f) below, be valid.

- (d) If, in connection with the making of the Offer, notwithstanding the restrictions described above, any person (including without limitation, custodians, nominees or trustees), whether pursuant to a contractual or legal obligation or otherwise, sends, forwards or otherwise distributes this document, the relevant Form of Acceptance or any related offering documents, in, into or from Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to make the Offer or uses the mails of, or any means or instrumentality (including, without limitation, facsimile transmission, telex and telephone or email) of interstate or foreign commerce of, or any facility of a national securities exchange of, Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to make the Offer, in connection with such action, such person should:
 - (i) inform the recipient of such fact;
 - (ii) explain to the recipient that such action may invalidate any purported acceptance by the recipient; and
 - (iii) draw the attention of the recipient to this paragraph 8.
- (e) Notwithstanding the restrictions described above, Optimal Acquisition will retain the right to permit the Offer to be accepted if, in its sole discretion, it is satisfied that the transaction in question is exempt from or not subject to the legislation or regulation giving rise to the restriction in question.

- (f) Notwithstanding the foregoing, the provisions of this paragraph 8 and/or any other terms of the Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific FireOne Shareholders or on a general basis by Optimal Acquisition in its absolute discretion. In particular, notwithstanding the provisions of this paragraph 8, Optimal Acquisition reserves the right, in its absolute discretion, to treat as valid acceptances received from persons who are unable to give the representation and warranty set out in paragraph 1(c) of Part C of this Appendix I.
- (g) References in this paragraph 8 to a FireOne Shareholder include references to the person or persons executing a Form of Acceptance and, in the event of more than one person executing the Form of Acceptance, the provisions of this paragraph 8 shall apply to them jointly and severally. Subject as aforesaid the provisions of this paragraph 8 supersede any terms of the Offer which are inconsistent herewith. Optimal Acquisition reserves the right to treat any acceptance of the Offer as invalid where such acceptance would, in the opinion of Optimal Acquisition, constitute or cause a breach of the laws of the relevant jurisdiction.
- (h) Neither Optimal Acquisition nor any agent or director of Optimal Acquisition nor any person acting on behalf of any of them shall have any liability to any person for any loss or alleged loss arising from any decision as to the treatment of acceptances of the Offer on any of the bases set out above or otherwise in connection therewith.

Overseas Shareholders should inform themselves about and observe any applicable legal or regulatory requirements. If you are in any doubt as to your position, you should consult your professional adviser in the relevant territory.

PART C: FORM OF ACCEPTANCE

1. Without prejudice to the terms of the Form of Acceptance and the provisions of this Part C, each FireOne Shareholder who executes and lodges or who has executed and had lodged on his behalf, a Form of Acceptance with **Capita Corporate Registrars Plc** irrevocably (and so as to bind himself, his heirs, successors and assigns):
 - (a) accepts the Offer in respect of the number of FireOne Shares inserted or deemed to be inserted in Box 1 of the Form of Acceptance on and subject to the terms and conditions set out or referred to in this document and the Form of Acceptance;
 - (b) undertakes to execute any further documents, take any further action and give any further assurances which may be required to enable Optimal Acquisition to obtain the full benefit of this Part C and/or to perfect any of the authorities expressed to be given hereunder and otherwise in connection with his acceptance of the Offer;
 - (c) represents and warrants to Optimal Acquisition that, unless he has written "NO" in Box 5 of the Form of Acceptance:
 - (i) he has not received or sent copies or originals of this document, the Form of Acceptance or any related documents in, into, or from Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to make the Offer;
 - (ii) he has not used in connection with the Offer or the execution or delivery of the Form of Acceptance, directly or indirectly, the mails of, or any means or instrumentality (including, without limitation, facsimile transmissions, telex and telephone) of interstate or foreign commerce of, or any facilities of a national securities exchange of, Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to make the Offer;
 - (iii) in respect of the FireOne Shares to which the Form of Acceptance relates, he is not an agent or fiduciary acting on a non-discretionary basis for a principal who has given any instructions with respect to the Offer from within Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to make the Offer (unless such person has given all instructions with respect to the Offer from outside Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to make the Offer);
 - (iv) this document, the Form of Acceptance or any related offering documents have not been mailed or otherwise distributed or sent directly or indirectly in, into or from Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to make the Offer and he is accepting the Offer from outside Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to make the Offer; and
 - (v) he has not signed the Form of Acceptance in Australia, Canada, Japan, the United States or any other jurisdiction where it would be unlawful to make the Offer;
 - (d) appoints, subject to the Offer becoming unconditional in all respects in accordance with its terms and to the accepting FireOne Shareholder not having validly withdrawn his acceptance, Optimal Acquisition and/or any of its directors as such shareholder's attorney and/or agent with an irrevocable instruction and authority to the attorney and/or agent to complete and execute all or any form(s) of transfer and/or other document(s) at the attorney's or agent's discretion in relation to the FireOne Shares in respect of which the Offer has been accepted in favour of Optimal Acquisition or such other person or persons as Optimal Acquisition or its agents may direct and to deliver such form(s) of transfer and/or other documents(s) together with the share

certificate(s) and/or other document(s) of title relating to such FireOne Shares for registration within six months of the Offer becoming unconditional in all respects and to do all such other acts and things as may in the opinion of such attorney and/or agent be necessary or expedient for the purpose of, or in connection with, the acceptance of the Offer, and to vest in Optimal Acquisition or its nominee(s) the FireOne Shares to which such Form of Acceptance relates;

- (e) appoints **Capita Corporate Registrars Plc** as such FireOne Shareholder's attorney and/or agent with an irrevocable instruction and authority to the attorney and/or agent subject to the Offer becoming unconditional in all respects in accordance with its terms and to the accepting FireOne Shareholder not having validly withdrawn his acceptance, to transfer to itself (or such other person or persons as Optimal Acquisition or its agents may direct) by means of CREST all or any of the Relevant FireOne Shares (as defined in (f) below) (but not exceeding the number of FireOne Shares in respect of which the Offer is accepted or deemed to be accepted);
- (f) appoints **Capita Corporate Registrars Plc** as such FireOne Shareholder's attorney or agent with an irrevocable instruction and authority to the attorney and/or agent if the Offer does not become unconditional in all respects, to give instructions to CRESTCo, immediately after the lapsing of the Offer (or within such longer period as the Panel may permit, not exceeding 14 days of the lapsing of the Offer), to transfer all Relevant FireOne Shares to the original available balance of the accepting FireOne Shareholder. "Relevant FireOne Shares" means FireOne Shares in uncertificated form and in respect of which a transfer or transfers to escrow has or have been effected pursuant to the procedures described in the letter from Optimal Acquisition contained in this document and where the transfer(s) to escrow was or were made in respect of FireOne Shares held under the same Member Account ID and Participant ID as the Member Account ID and Participant ID relating to the Form of Acceptance concerned (but irrespective of whether or not any Form of Acceptance reference number, or a Form of Acceptance reference number corresponding to that appearing on the Form of Acceptance concerned, was included in the TTE instruction concerned);
- (g) authorises and requests (subject to the Offer becoming unconditional in all respects and his not having validly withdrawn his acceptance):
 - (i) FireOne or its agents to procure the registration of the transfer of the FireOne Shares in certificated form pursuant to the Offer and the delivery of the share certificate(s) and/or other document(s) of title in respect thereof to Optimal Acquisition or as it may direct;
 - (ii) subject to the provisions of paragraph 8 of Part B of this Appendix I, if the FireOne Shares are in certificated form or if either of the provisos (aa) and (bb) to paragraph (g)(iii) below apply, Optimal Acquisition or its agents, to procure the despatch by post (or by such other method as the Panel may approve) of the consideration to which he is entitled pursuant to his acceptance of the Offer, at his risk, to the person or agent whose name and address outside Australia, Canada, Japan or the United States, or any other jurisdiction where it would be unlawful to make the Offer, is set out in Box 6 of the Form of Acceptance or, if none is set out, to the first named holder at his registered address outside Australia, Canada, Japan or the United States or any other jurisdiction where it is unlawful to make the Offer; and
 - (iii) if the FireOne Shares concerned are in uncertificated form, Optimal Acquisition or its agents to procure the creation of an assured payment obligation in favour of the FireOne Shareholder's payment bank in accordance with the CREST assured payment arrangements in respect of any cash consideration to which such shareholder is entitled under the Offer provided that (aa) Optimal Acquisition may (if, for any reason, it wishes so to do) determine that all or part of any such cash consideration shall be paid by cheque despatched by post and (bb) if any FireOne Shareholder concerned is

a CREST member whose registered address is in Australia, Canada, Japan or the United States or any other jurisdiction where it is unlawful to make the Offer, any cash consideration to which such shareholder is entitled shall be paid by cheque despatched by post and, in each case, sub-paragraph (ii) above shall apply;

- (h) subject to the Offer becoming unconditional in all respects (or if the Offer would become unconditional in all respects or lapse immediately upon the outcome of the resolution in question) and in all other circumstances as the Panel may permit:
- (i) authorises Optimal Acquisition or its agents to direct the exercise of any votes and any other rights and privileges (including the right to requisition the convening of a general meeting of FireOne) attaching to any FireOne Shares in respect of which the Offer has been accepted or is deemed to have been accepted and not validly withdrawn;
 - (ii) authorises the sending of any notice, circular, warrant, document or other communication which may be required to be sent to him as a FireOne Shareholder in respect of such shares (including any share certificate(s) or other document(s) of title issued as a result of conversion of such FireOne Shares into certificated form) to Optimal Acquisition at its registered office;
 - (iii) authorises any director of, or person authorised by, Optimal Acquisition to sign any document and do such things as may in the opinion of such agent and/or attorney seem necessary or desirable in connection with the exercise of any votes or other rights or privileges attaching to the FireOne Shares held by him (including, without limitation, signing any consent to short notice of a general or separate class meeting as his agent and/or attorney and on his behalf and executing a form of proxy appointing any person nominated by Optimal Acquisition to attend general and separate class meetings of FireOne (and any adjournments thereof) and attending any such meeting and exercising the votes attaching to the FireOne Shares referred to in (i) of this paragraph (h) of this Part C on his behalf, where relevant, such votes to be cast so far as possible to satisfy any outstanding condition of the Offer);
 - (iv) agrees not to exercise any of such rights without the consent of Optimal Acquisition and irrevocably undertakes not to appoint a proxy for or to attend such general or separate class meetings in respect of such FireOne Shares; and
 - (v) covenants, agrees, represents and warrants that he is irrevocably and unconditionally entitled to transfer the FireOne Shares in respect of which the Offer is accepted or deemed to be accepted and that the entire legal and beneficial interests in such FireOne Shares will be acquired under the Offer free from all liens, equities, charges, encumbrances, rights of pre-emption and other third party rights and other interests of any kind whatsoever and together with all rights now or hereafter attaching thereto, including the right to receive and retain all dividends and other distributions (if any) declared, made or paid after the date hereof;
- (i) undertakes that he will deliver, or procure the delivery of, to **Capita Corporate Registrars Plc**, his share certificate(s) and/or other document(s) of title in respect of the FireOne Shares (which are in certificated form) in respect of which the Offer has been accepted, or is deemed to have been accepted and not validly withdrawn, or an indemnity acceptable to Optimal Acquisition in lieu thereof, as soon as possible and in any event within six months of the Offer becoming, or being declared unconditional in all respects;
- (a) undertakes that he will give or procure the giving, in accordance with the letter from Optimal Acquisition contained in this document, of an instruction to

transfer those of the FireOne Shares in respect of which the Offer has been accepted or is deemed to have been accepted and not validly withdrawn which are held by him in uncertificated form in CREST to an escrow balance within the member's account in accordance with the facilities and requirements of CRESTCo, as soon as possible and, in any event, so that the transfer to escrow settles within six months of the Offer becoming or being declared unconditional in all respects; and

- (b) undertakes that in the event that, for any reason, any FireOne Shares in respect of which a transfer to an escrow balance has been effected in accordance with the letter from Optimal Acquisition contained in this document are converted to certificated form he will immediately deliver or procure the immediate delivery of the share certificate(s) or other document(s) of title in respect of all such FireOne Shares as so converted to **Capita Corporate Registrars Plc** or to Optimal Acquisition at its registered office or as Optimal Acquisition or its agents may direct.
- (j) agrees that the creation of an assured payment obligation in favour of his payment bank in accordance with the CREST assured payments arrangements as referred to in sub-paragraph (iii) of paragraph (g) of this Part C shall, to the extent of the obligation so created, discharge in full any obligation of Optimal Acquisition to pay to him the cash consideration to which he is entitled pursuant to the Offer;
- (k) agrees that without prejudice to paragraph (d) of this Part C, the execution of a Form of Acceptance constitutes an authority to any director of Optimal Acquisition and/or its agents within the terms of paragraph 6(a) of Part B of this Appendix I;
- (l) agrees that the terms and conditions of the Offer contained in this document shall be deemed to be incorporated in, and form part of, the Form of Acceptance which shall be read and construed accordingly and that on execution the Form of Acceptance will take effect as a deed;
- (m) agrees that, if any provisions of this Appendix I shall be unenforceable or invalid or shall not operate so as to afford Optimal Acquisition and/or **Capita Corporate Registrars Plc** and/or any director or agent of either of them the benefit of any authority expressed to be given therein, he shall, with all practicable speed, do all such acts and things and execute all such documents and give all such assurances that may be required or desirable to enable Optimal Acquisition and/or **Capita Corporate Registrars Plc** and/or any director or agent of any of them to secure the full benefit of this Appendix I;
- (n) undertakes, subject to the Offer becoming or being declared unconditional in all respects, to do all such acts and things and execute any further documents and to give any further assurances that may be required in connection with the effective transfer of his FireOne Shares in respect of which the Offer shall have been accepted or deemed to have been accepted and authorises and requests any director of Optimal Acquisition to complete and execute on his behalf an instrument of transfer in favour of Optimal Acquisition (or as it may direct) of any FireOne Shares in respect of which the Offer is accepted or are deemed to have been accepted and to do any other acts or things that may be necessary or expedient for the purpose of vesting such FireOne Shares referred to in paragraph (a) of this Part C in Optimal Acquisition, its nominees or such other persons as it may direct and all such acts and things as may be necessary or expedient to enable **Capita Corporate Registrars Plc** to perform its obligations as escrow agent for the purposes of the Offer;
- (o) agrees to ratify everything which may be done or effected by any director of, or person authorised by, Optimal Acquisition or by **Capita Corporate Registrars Plc** (as escrow agents) or any of their respective agents in the proper exercise of any of the powers and/or authorities under this Part C and to indemnify each such person against any losses arising therefrom; and

(p) agrees that the execution of the Form of Acceptance constitutes his submission to the jurisdiction of the courts of Ireland in relation to all matters arising in connection with the Offer and the Form of Acceptance.

2. References in this Part C to a FireOne Shareholder shall include references to the person or persons executing Forms of Acceptance and, in the event of more than one person executing Forms of Acceptance, the provisions of this Part C shall apply to them jointly and to each of them.

APPENDIX II

FINANCIAL INFORMATION RELATING TO OPTIMAL ACQUISITION AND OGI

OPTIMAL ACQUISITION

Optimal Acquisition is a company incorporated under the laws of Canada and is a wholly owned subsidiary of OGI. Details of the directors of Optimal Acquisition are contained in paragraph 2 of Appendix IV. Optimal Acquisition has not traded since the date of its incorporation nor has it entered into any obligations other than in connection with the Offer and the financing thereof and further details of these arrangements are contained in Appendix IV.

OGI

The financial information for Optimal Group Inc. contained in Appendix II has been extracted, without material adjustment, from its annual report on Form 10-K filed with the Securities and Exchange Commission on 16 March 2006. The financial information includes the consolidated balance sheets of Optimal Group Inc and Subsidiaries as of 31 December 2004 and 2005 and the related consolidated statements of operations, deficits and cash flows for each of the years in the three year period ended 31 December 2005. The financial information has been prepared in conformity with Canadian generally accepted accounting principles. On 13 March, 2006, Optimal Group Inc.'s auditor, KPMG LLP, Montreal, Canada, issued an unqualified audit opinion in respect of their audit of the financial statements of the Optimal Group Inc for the periods presented herein.

OPTIMAL GROUP INC.
Consolidated Balance Sheets
December 31, 2005 and 2004
(expressed in thousands of U.S. dollars)

	2005	2004
Assets		
Current assets:		
Cash and cash equivalents	\$ 98,236	\$ 62,937
Cash held as reserves	22,722	18,739
Cash held in escrow	-	3,536
Short-term investments	82,361	88,213
Short-term investments held as reserves	3,014	2,104
Settlement assets	20,727	14,375
Accounts receivable	11,354	7,121
Income taxes receivable and refundable investment tax credits	1,055	773
Inventory	2,801	1,953
Prepaid expenses and deposits	1,972	1,138
Future income taxes	2,016	-
Current assets related to discontinued operations	504	2,845
	246,762	203,734
Long-term receivables	3,528	3,666
Non-refundable investment tax credits	-	4,747
Property and equipment	5,658	4,462
Goodwill and other intangible assets	117,090	68,525
Deferred compensation cost	-	1,807
Future income taxes	683	3,979
Other asset	10,462	-
Long-term assets related to discontinued operations	500	4,326
	\$ 384,683	\$ 295,246
Liabilities and Shareholders' Equity		
Current liabilities:		
Bank indebtedness	\$ 8,390	\$ 8,301
Customer reserves and security deposits	112,422	77,574
Accounts payable and accrued liabilities	26,706	21,867
Deferred revenue	921	1,591
Income taxes payable	8,998	403
Current portion of obligations under capital leases	338	242
Future income taxes	836	917
Current liabilities related to discontinued operations	181	3,358
	158,792	114,253
Non-controlling interest	12,926	-
Future income taxes	8,958	3,794
Other payable	258	-
Deferred revenue	214	318
Obligations under capital leases	245	200
Shareholders' equity:		
Share capital	195,149	184,191
Additional paid-in capital	25,884	10,557
Deficit	(16,259)	(16,583)
Cumulative translation adjustment	(1,484)	(1,484)
	203,290	176,681
	\$ 384,683	\$ 295,246

OPTIMAL GROUP INC.

Consolidated Statements of Operations

Three-year period ended December 31, 2005

(expressed in thousands of U.S. dollars, except per share amounts)

	2005	2004	2003
Revenues	\$ 181,351	\$ 89,373	\$ 15,666
Expenses:			
Transaction processing and service costs	95,898	54,544	10,872
Selling, general and administrative	44,586	24,369	11,419
Inventory write-down pertaining to service costs	-	2,931	-
Amortization of intangibles pertaining to transaction processing and service costs	8,626	2,542	299
Amortization of property and equipment	2,161	1,788	606
Stock-based compensation pertaining to selling, general and administrative	22,403	5,736	-
Research and development	2,359	1,511	-
Operating leases	4,123	3,298	970
Restructuring costs	3,565	923	109
Foreign exchange loss (gain)	1,252	(1,021)	333
Impairment losses	8,657	-	-
	193,630	96,621	24,608
Loss from continuing operations before undernoted items	(12,279)	(7,248)	(8,942)
Investment income	4,149	1,632	981
Gain on sale of interest in FireOne	30,411	-	-
Earnings (loss) from continuing operations before income taxes and non-controlling interest	22,281	(5,616)	(7,961)
Income tax (recovery) provision	11,008	1,188	(3,215)
Earnings (loss) from continuing operations before non-controlling interest	11,273	(6,804)	(4,746)
Non-controlling interest	4,181	-	-
Earnings (loss) from continuing operations	7,092	(6,804)	(4,746)
Loss from discontinued operations, net of income taxes	(6,327)	(6,613)	(1,422)
(Loss) gain on disposal of net assets from discontinued operations, net of income taxes	(188)	4,164	-
Net earnings (loss)	\$ 577	\$ (9,253)	\$ (6,168)
Weighted average number of shares:			
Basic	22,869,401	20,289,670	14,936,235
Plus impact of stock options and warrants	2,475,219	136,607	576
Diluted	25,344,620	20,426,277	14,936,811
Earnings (loss) per share:			
Continuing operations:			
Basic	\$ 0.31	\$ (0.34)	\$ (0.32)
Diluted	0.28	(0.34)	(0.32)
Discontinued operations:			
Basic	(0.28)	(0.12)	(0.09)
Diluted	(0.26)	(0.12)	(0.09)
Net:			
Basic	0.03	(0.46)	(0.41)
Diluted	0.02	(0.46)	(0.41)

OPTIMAL GROUP INC.
Consolidated Statements of Deficit
Three-year period ended December 31, 2005
(expressed in thousands of U.S. dollars)

	2005	2004	2003
Deficit, beginning of year	\$ (16,583)	\$ (7,330)	\$ (1,162)
Net earnings (loss)	577	(9,253)	(6,168)
Excess of purchase price over book value of shares	(253)	-	-
Deficit, end of year	\$ (16,259)	\$ (16,583)	\$ (7,330)

OPTIMAL GROUP INC.**Consolidated Statements of Cash Flows**
Three-year period ended December 31, 2005
(expressed in thousands of U.S. dollars)

	2005	2004	2003
Cash flows from (used in) operating activities:			
Net earnings (loss)	\$ 577	\$ (9,253)	\$ (6,168)
Add: loss from discontinued operations	6,327	6,613	1,422
loss (gain) on disposal of net assets from discontinued operations	188	(4,164)	—
Net earnings (loss) from continuing operations	7,092	(6,804)	(4,746)
Adjustments for items not affecting cash:			
Non-controlling interest	4,181	—	—
Amortization	10,787	4,330	905
Future income taxes	2,685	983	(2,254)
Stock-based compensation	22,403	5,736	—
Inventory write-downs	—	2,931	—
Foreign exchange	559	(523)	—
Impairment losses	8,657	—	—
Loss on disposal of property and equipment	48	—	—
Gain on sale of interest in FireOne	(30,411)	—	—
Net change in operating assets and liabilities	30,540	4,168	(939)
	56,541	10,821	(7,034)
Cash flows from (used in) financing activities:			
Proceeds from issuance of FireOne common shares	16	—	—
(Increase) decrease in bank indebtedness	(480)	(3,328)	10,726
Repayment of capital leases	(246)	(290)	—
Repayment of long-term debt	—	—	(3,746)
Repurchase of Class "A" shares	(436)	—	—
Proceeds from issuance of Class "A" shares	7,508	482	—
	6,362	(3,136)	6,980
Cash flows from (used in) investing activities:			
Purchase of property, equipment and intangible assets	(2,897)	(2,786)	(463)
Proceeds from sale of property, equipment and intangibles	69	—	656
Proceeds from sale of assets	518	—	—
Proceeds from maturity of short-term investments	5,852	9,242	1,845
Proceeds from note receivable	138	33	—
Proceeds from sale of interest in FireOne	44,146	—	—
Decrease (increase) in cash held in escrow	2,794	(2,794)	—
Cash acquired on acquisition of Terra	—	32,880	—
Acquisition of NPS, net of cash of \$126	(3,000)	(12,006)	—
Acquisition of MCA, including acquisition costs of \$49	(3,722)	—	—
Acquisition of UBC, including acquisition costs of \$277	(44,277)	—	—
Acquisition of Moneris, including acquisition costs of \$266	(18,266)	—	—
Proceeds from disposal of business	—	30,194	—
Proceeds from disposal of EBS	—	3,974	—
Transaction costs	(6,553)	(1,389)	—
Acquisition of RBA	742	—	(6,046)
Acquisition of Systech Retail Systems	—	(3,465)	—
	(24,456)	53,883	(4,008)
Effect of exchange rate changes on cash and cash equivalents during the year	(169)	1,776	—
Cash flows of discontinued operations:			
Operating cash flows	(2,669)	(1,971)	545
Financing cash flows	(310)	(472)	—
Investing cash flows	—	(2,176)	(1,886)
	(2,979)	(4,619)	(1,341)
Net increase (decrease) in cash and cash equivalents	35,299	58,725	(5,403)
Cash and cash equivalents, beginning of year	62,937	4,212	9,615
Cash and cash equivalents, end of year	\$ 98,236	\$ 62,937	\$ 4,212

APPENDIX III

FINANCIAL INFORMATION RELATING TO THE FIREONE GROUP

Section A - financial information for the period from 12 April 2005 to 31 December 2005

The financial information contained in Appendix III, Section A does not constitute statutory accounts within the meaning of Section 4 of the Companies (Amendment) Act 1986. The information has been extracted, without adjustment, from the audited financial statements of FireOne Group plc for the period from 12 April 2005 to 31 December 2005. These are the sole, audited financial statements of FireOne Group plc and have been prepared in accordance with International Financial Reporting Standards. On 30 March, 2006, FireOne Group plc's auditor, KPMG, Chartered Accountants, Dublin, Ireland issued an unqualified audit opinion under Section 193 of the Companies Act 1990 in respect of the financial statements for the period ended 31 December 2005.

FireOne Group plc
Consolidated Balance Sheet
As at 31 December 2005
(all amounts in thousands of U.S. dollars)

	Notes	12 April 2005 to 31 December 2005 \$
ASSETS		
Non-current assets		
Equipment	5	537
Goodwill	20 (b)	94,080
Intangibles	6	11,423
Total non-current assets		<u>106,040</u>
Current assets		
Prepays		347
Trade receivables		1,060
Receivable from a company under common control	20 (c)	34,965
Short-term investments	7	35,614
Cash and cash equivalents	8	50,241
Total current assets		<u>122,227</u>
Total assets		<u>228,267</u>
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital	9	1,304
Share premium		114,575
Other reserves		6,948
Retained profit		7,425
		<u>130,252</u>
Non-current liabilities		
Deferred revenue		44
Deferred tax	10	1,752
Total non-current liabilities		<u>1,796</u>
Current liabilities		
Trade and other liabilities	11, 20 (c)	3,062
Income tax payable	12	2,907
Customer reserves and security deposits	13	88,804
Provisions		1,370
Deferred revenue		76
Total current liabilities		<u>96,219</u>
Total liabilities		<u>98,015</u>
Total shareholders' equity and liabilities		<u>228,267</u>

The notes on pages 49 to 66 form part of these financial statements.

These financial statements were approved by the Board of Directors on 30 March 2006 and were signed on its behalf by:

Benjamin Dalfen, Chief Executive Officer

David Schwartz, Chief Financial Officer

FireOne Group plc

Consolidated Income Statement

For the period of 12 April 2005 to 31 December 2005

(all amounts in thousands of U.S. dollars)

	Notes		12 April 2005 to 31 December 2005
Revenue			<u>\$</u> 53,785
Expenses			
Transaction processing costs	20 (a)		21,386
Selling, general and administrative	5, 6, 15, 20 (a)	13,136	
Stock-based compensation expense	16	<u>4,481</u>	
Total selling, general and administrative expenses			<u>17,617</u>
Operating profit before finance income	14		14,782
Finance income			379
Profit before tax			<u>15,161</u>
Income tax expense	17		5,269
Profit for the period			<u>9,892</u>
Earnings per share			
Basic	18		<u>0.20</u>
Diluted	18		<u>0.19</u>

The notes on pages 49 to 66 form part of these financial statements.

Comparative figures for the Consolidated Income Statement are not presented as the Company was incorporated on 12 April 2005. On 11 May 2005, the Group acquired the online gaming processing business and therefore the results represent 235 days of operations from 11 May 2005 to 31 December 2005

FireOne Group plc

Consolidated Statement of Changes in Equity

For the period of 12 April 2005 to 31 December 2005

(all amounts in thousands of U.S. dollars)

	Notes	Share Capital – Ordinary Shares	Share Capital – Deferred Shares	Share Premium	Other Reserves	Retained Profit	Total
		\$	\$	\$	\$	\$	\$
Issue of share capital at date of incorporation 12 April 2005	9	51	-	-	-	-	51
Conversion of ordinary shares into deferred shares	9	(51)	51	-	-	-	-
Redemption of deferred shares	9	-	(51)	-	-	-	(51)
Issue of share capital	9, 20 (b)	1,288	-	114,575	-	-	115,863
Appropriation to parent company for non-cash, stock-based compensation	16	-	-	-	4,120	(4,120)	-
Stock-based compensation expense for the period	16	-	-	-	4,481	-	4,481
Exercise of restricted share units	9	16	-	-	(1,653)	1,653	16
Profit for the period		-	-	-	-	9,892	9,892
Balance as at 31 December 2005		1,304	-	114,575	6,948	7,425	130,252

The notes on pages 49 to 66 form part of these financial statements.

FireOne Group plc
Consolidated Cash Flow Statement
For the period of 12 April 2005 to 31 December 2005
(all amounts in thousands of U.S. dollars)

	Notes	12 April 2005 to 31 December 2005
		\$
OPERATING ACTIVITIES		
Profit for the period		9,892
Adjustments for:		
Stock-based compensation expense		4,481
Depreciation of equipment		47
Amortisation of intangibles		3,264
Deferred revenue		(39)
Foreign exchange gain		(78)
Interest income		(378)
Income tax expense		5,269
Operating cash inflow before changes in working capital and provisions		22,458
Increase in prepaids		(347)
Increase in trade receivables		(928)
Increase in trade and other liabilities		2,735
Increase in customer reserves and security deposits		29,298
Increase in provisions		705
Cash generated from operations		53,921
Interest income received		259
Income taxes paid		(2,240)
Net cash inflow from operating activities		51,940
INVESTING ACTIVITIES		
Purchase of equipment		(584)
Decrease in receivable from company under common control		24,542
Increase in short-term investments		(35,614)
Net cash outflow from investing activities		(11,656)
FINANCING ACTIVITIES		
Cash acquired as part of acquisition of business	20 (b)	10,000
Proceeds from the exercise of restricted share units	9	16
Net cash inflow from financing activities		10,016
Effect of exchange rate changes on cash and cash equivalents		(59)
Net increase in cash and cash equivalents		50,241
Cash and cash equivalents, beginning of period		-
Cash and cash equivalents, end of period	8	50,241

The notes on pages 49 to 66 form part of these financial statements.

Comparative figures for the Consolidated Cash Flow Statement are not presented as the Company was incorporated on 12 April 2005. On 11 May 2005, the Group acquired the online gaming processing business and therefore the results represent 235 days of operations from 11 May 2005 to 31 December 2005.

FireOne Group plc

Notes to Consolidated Financial Statements

For the period of 12 April 2005 to 31 December 2005

(all amounts in thousands of U.S. dollars, except per share amounts)

1. General

FireOne Group plc ("the Company") was incorporated in Ireland on 12 April 2005. In addition, two wholly-owned subsidiaries, FPA Processing Services Inc. ("FPA") and FirePay Ltd., were incorporated in April 2005. The principal activities of the Company and its subsidiaries (the "Group") are described in Note 2.

The notes to the financial statements refer to the Group unless otherwise stated.

Optimal Group Inc. ("OGI"), the Company's ultimate parent, and Optimal Payments Inc. ("OPI"), a company under common control, underwent an internal reorganisation whereby on 11 May 2005 OPI's online gaming payments business ("the Business") was transferred to the Group. The principal steps in the internal reorganisation were as follows:

- OPI transferred the assets and liabilities of the Business to FPA in consideration for the issue of 99,999,999 common shares in the capital of FPA to OPI pursuant to the terms of a purchase and license agreement dated 11 May 2005;
- OPI sold its interest in FPA to the Company in consideration for the issue of 100,000,000 ordinary shares of the Company at €0.01 per share;
- OPI transferred its interest in the Company to OGI;
- FPA transferred the assets and liabilities of the Business to the Company pursuant to a reduction of FPA's share capital;
- OPI and FPA entered into a services agreement dated 11 May 2005 pursuant to which OPI has agreed to continue to provide certain hosting, administrative and other services to FPA. This agreement was subsequently transferred from FPA to the Company;
- On 26 May 2005 the 1,000,000,000 authorised ordinary shares of €0.01 per share of the Company were consolidated into 500,000,000 ordinary shares of €0.02 per share.

The transfer of assets and liabilities of the Business between the related parties indicated above resulted in an additional share premium of \$114,575 (see Note 20 (b)).

On 2 June 2005, OGI completed a flotation of 20% of its ownership in the Company on the London Stock Exchange's AIM Market.

As at 31 December 2005, the Group had 67 employees.

2. Nature of operations

The Group is a provider of payment processing services for the online gaming industry, providing the operators of online casinos, poker rooms and sports books and their customers with a secure, convenient and cost-effective system to transfer funds. The Group processes online gaming transactions through the use of credit and debit cards, electronic debit and through FirePay, a leading stored-value, electronic wallet. FirePay is used for non-gaming purchases as well.

3. Significant accounting policies

(a) Statement of compliance

The Group financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") and their interpretations issued by the International Accounting Standards Board ("IASB") as adopted by the EU. The individual financial statements of the Company ("Company financial statements") have been prepared in accordance with IFRSs as adopted by the EU and as applied in accordance with the Companies Acts, 1963 to 2005 which permits a Company, that publishes its Company and Group financial statements together, to take advantage of the exemption in Section 148(8) of the Companies Act 1963 from presenting to its members its Company income statement and related notes that form part of the approved Company financial statements.

These are the Company's and Group's first financial statements prepared in accordance with IFRS as adopted by the EU and IFRS 1, First-time Adoption of International Financial Reporting Standards has been applied.

The IFRSs adopted by the EU applied by the Company and Group in the preparation of these financial statements are those that were effective at 31 December 2005. The following provides a brief outline of the likely impact on future financial statements of relevant IFRSs adopted by the EU which are not yet effective and have not been early adopted in these financial statements:

- (i) Amendment to IAS 1 *Capital disclosures*: This amendment will require additional disclosures regarding the capital structure of the Company and Group.
- (ii) Amendments to IAS 39 *The Fair Value Option*: This amendment is not expected to impact on the Group significantly.
- (iii) Amendments to IAS 39 and IFRS 4: *Financial Guarantee Contracts*: Where the Company has issued a guarantee to a merchant to indemnify it against consumer losses, it is considered to be in the nature of an insurance contract and consequently the impact of this amendment is likely to be minimal.
- (iv) IFRS 7 *Financial Instruments: Disclosures*: This standard updates and extends the existing disclosure requirements of IAS 32 and will require additional disclosures relating to risk management policies and processes.

(b) Basis of presentation

The principal functional currency of the Group is U.S. dollars and accordingly the financial statements have been prepared in U.S. dollars, rounded to the nearest thousand. These consolidated financial statements have been prepared on the historical cost basis except for the fair value of restricted share units. All recognised gains and losses are recorded in the income statement.

These consolidated financial statements have been prepared on the basis of IFRSs as adopted by the EU at 31 December 2005 other than those standards which have been adopted, but which are not yet effected.

The accounting policies have been applied consistently by the Group entities.

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the

circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 24.

(c) **Consolidation**

These consolidated financial statements include the accounts of the Company and enterprises controlled by the Company (its subsidiaries) as at year-end. Control is achieved where the Company has the power to govern the financial and operating policies of an invested enterprise so as to obtain benefits from its activities. The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, FPA Processing Services Inc. and FirePay Ltd. All intercompany transactions and balances between group enterprises are eliminated on consolidation.

(d) **Equipment**

Equipment is recorded at cost less accumulated depreciation. Depreciation is provided for over the estimated useful lives of the assets using the straight-line method over the following periods:

Computer equipment	3 years
Software	2 years
Furniture and fixtures	5 years
Leasehold improvements	Lease term

(e) **Goodwill**

Goodwill is the residual amount that results when the purchase price of an acquired business exceeds the sum of amounts allocated to the assets acquired, less liabilities assumed, based on their fair values. Goodwill is allocated as of the date of the asset acquisition or business combination to the Group's reporting units that are expected to benefit from the synergies of the transaction.

Goodwill is not amortised but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that the asset may be impaired. If there is any indication of impairment, the recoverable amount is estimated. Recoverable amount is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Recoverable amount is typically determined for the cash generating unit to which it belongs. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

As at 31 December 2005, no impairment in goodwill exists.

(f) **Intangibles**

Intangible assets acquired either individually or with a group of other assets are initially recognised and measured at cost. The cost of a group of intangible assets, including those acquired in a business combination that meet the specified criteria for

recognition apart from goodwill, is allocated to the individual assets based on their relative fair values.

Intangible assets with finite useful lives are amortised using the straight-line method over the following periods:

Customer contracts 20 - 60 months

Acquired technology 24 months

(g) Impairment of long-lived assets

Long-lived assets, consisting of property and equipment and intangible assets with finite useful lives, are reviewed whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable, which is established as the carrying amount of an asset to be held and used over the sum of the discounted cash flows expected from its use and disposal; the impairment recognised is measured as the amount by which the carrying amount of the asset exceeds its fair value. Based on the impairment test performed, the Company concluded that no impairment charge was required.

(h) Trade receivables

Trade receivables are stated at their cost less impairment losses.

(i) Short-term investments

Short-term investments include investments with maturities of less than a year, as well as investments with maturities greater than a year that can be promptly liquidated. Investments are classified as held to maturity and are carried at amortised cost less impairment losses.

(j) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with financial institutions, and highly liquid debt instruments with original terms to maturity of three months or less.

(k) Trade and other liabilities

Trade and other liabilities, all of which are short-term, are not interest bearing and are stated at the amounts owed. The carrying amount of trade and other liabilities approximates to their fair value.

(l) Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Disputes between a consumer and a merchant periodically arise as a result of, among other things, consumer dissatisfaction with a merchant's services. Such disputes may not be resolved in the merchant's favour. In these cases, the transaction may be charged back to the merchant, which means the transaction amount is refunded to the consumer and, in certain instances, charged to the merchant. If the merchant has insufficient funds or the Group has indemnified the merchant against such losses, the Group must bear the credit risk for the full amount of the transaction. These are

contracts which include financial guarantees that represent a form of insurance arrangement, and are accounted for as such. In this respect, the Group treats the guarantee contract as a contingent liability until such time as it becomes probable that the Group will be required to make a payment under the guarantee. Management evaluates the risk for such transactions and estimates the loss for disputed transactions based primarily on historical experience and other relevant factors.

A provision is maintained for customer losses necessary to absorb disputed transactions and other losses for transactions that have been previously processed and on which revenues have been recorded. Management analyses the adequacy of the provision in each reporting period. The provision for losses comprises specifically identifiable customers for which losses can be estimated and an estimate of loss in the remaining portfolio based on experience.

The provision for losses is decreased by realised losses and is increased by provisions for losses, net of any recoveries. The net charge for the provision for merchant and consumer losses is included in selling, general and administrative expenses and transaction processing costs, respectively. The provision for customer losses is included within current liabilities.

(m) **Revenue recognition**

Revenue is generated from merchant customers for payment processing services, as well as from consumers who utilise the Group's electronic wallet offering. Merchants are charged a fee, which is based upon the merchant's charge volume and risk profile, and this fee is a percentage of the dollar amount of each transaction. The balance of revenue is derived from a variety of fixed transaction fees, including set-up fees, fees for monthly minimum charge volume requirements, statement fees, annual fees and fees for other miscellaneous services, such as handling chargebacks.

Consumers who utilise the electronic wallet are charged a fixed transaction fee for each deposit made to their account.

Discount and other fees related to payment transactions are recognised at the time transactions are processed.

Revenue from set-up fees is deferred and recognised over the expected term of the merchant relationship, which is estimated to be five years.

(n) **Share-based payments**

The Company may issue equity settled share options and restricted share units ("RSUs") to certain employees and Directors of the Company and OGI and its affiliates. Any share options and RSUs are measured at the estimated fair value at the grant date. The fair value of any options issued are measured using an option pricing model, taking into account the terms and conditions upon which the options were granted. The estimated fair value determined at the grant date of the share option or RSU granted is amortised on a straight-line basis to the income statement over the vesting period, based on the Company's estimate of shares that will eventually vest.

RSUs granted to certain directors and employees of OGI are measured at their estimated fair value at the grant date and accounted for through reserves, as an appropriation of profit at that date.

(o) **Income tax**

The income tax on the profit for the period comprises current and deferred tax.

Current tax is based on the profit for the period adjusted for items that are non-assessable or disallowed for tax purposes and is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The temporary difference related to goodwill is not provided for. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(p) **Earnings per share**

Basic earnings per share is determined using the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is computed in a manner consistent with basic earnings per share, except that the weighted average shares outstanding are increased to include additional shares from the assumed exercise of options and RSUs, if dilutive. The number of additional shares is calculated by assuming that outstanding options and RSUs were exercised, and that the proceeds from such exercises are used to repurchase ordinary shares at the average market price during the reporting period.

(q) **Foreign currency translation**

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to U.S. dollars at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to U.S. dollars at foreign exchange rates ruling at the dates the fair value was determined.

(r) **Segment reporting**

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

4. **Comparative figures**

The Company was incorporated on 12 April 2005. Therefore comparative figures are not applicable.

5. **Equipment**

	Computer Equipment	Software	Furniture and Fixtures	Leasehold Improvements	Total
	\$	\$	\$	\$	\$
Cost					
Opening	-	-	-	-	-
Additions	140	10	3	431	584
Disposals	-	-	-	-	-
As at 31 December 2005	140	10	3	431	584
Accumulated amortization					
Opening	-	-	-	-	-
Charge for the period	23	2	-	22	47
Disposals	-	-	-	-	-
As at 31 December 2005	23	2	-	22	47
Net book value As at 31 December 2005	117	8	3	409	537

The depreciation charge for the period is included within selling, general and administrative expenses in the consolidated income statement.

6. **Intangibles**

	Customer Contracts \$	Acquired Technology \$	Total \$
Cost			
Opening	-	-	-
Additions to business acquisition	14,138	549	14,687
Disposals	-	-	-
As at 31 December 2005	14,138	549	14,687
Accumulated amortization			
Opening	-	-	-
Charge for the period	3,088	176	3,264
Disposals	-	-	-
As at 31 December 2005	3,088	176	3,264
Net book value As at 31 December 2005	11,050	373	11,423

Refer to Notes 1 and 20 (b) for details on the additions that occurred during the period.

The amortisation charge for the period is included within selling, general and administrative expenses in the consolidated income statement.

7. Short-term investments

Short-term investments consist of term deposits and commercial paper bearing interest at 3.93% to 4.30% and maturing between 28 February 2006 and 4 May 2006.

8. Cash and cash equivalents

Cash and cash equivalents consist of:

	As at 31 December 2005 \$
Cash	15,641
Short-term investments with initial maturities of less than 3 months, bearing interest at 3.80% to 4.26%	34,600
	<u>50,241</u>

9. Share capital

	As at 31 December 2005 \$
Authorised 500,000,000 ordinary shares of €0.02 per share	
Issued and fully paid: 50,706,331 ordinary shares (par value of €0.02 per share)	<u>1,304</u>

During the period of 12 April 2005 to 31 December 2005, the following transactions occurred in the share capital of the Company:

On 12 April 2005, the authorised share capital of the Company was €10,000,000 divided into 1,000,000,000 ordinary shares of €0.01 per share.

On 12 April 2005, the Company issued, at par value, 4,000,000 ordinary shares of €0.01 per share to a wholly-owned subsidiary of OGI, OG Processing Services Holdings, for aggregate proceeds of \$51.

On 11 May 2005, the Company converted 4,000,000 ordinary shares into 4,000,000 deferred shares. The deferred shares were redeemed by the Company for \$51 on that same date.

On 11 May 2005, the Company issued 100,000,000 ordinary shares to OPI in exchange for a wholly-owned investment in FPA Processing Services Inc. These ordinary shares were recorded at par value of \$1,288 and share premium of \$114,575, the total of \$115,863 being the estimated fair value of the business acquired (Note 1).

On 26 May 2005, the Company completed a consolidation of its ordinary shares outstanding on a two-for-one basis, resulting in 50,000,000 ordinary shares of €0.02 per share outstanding post-consolidation.

During the period of 12 April 2005 to 31 December 2005, 706,331 restricted share units were exercised for a cash consideration of \$16 resulting in the issuance of 706,331 ordinary shares with a par value of \$16, being €0.02 per share. As a result of this issuance, share capital was increased by \$16 of cash proceeds and share premium was increased by the fair value of the restricted share units exercised (\$1,653). The fair value of the restricted share units was determined by valuation experts using established financial methodologies for business valuation as there was no public market for the Company's shares at the award date.

10. **Deferred tax assets and liabilities**

Deferred tax assets and liabilities are attributable to the following:

	Assets	Liabilities	Net
	\$	\$	\$
Equipment	5	-	5
Intangibles	-	1,752	(1,752)
	5	1,752	(1,752)

11. **Trade and other liabilities**

As at 31 December 2005
\$

Trade and other liabilities consist of the following:	
Trade accounts payable	348
Accrued trade liabilities	1,592
Payroll-related liabilities	978
Payable to OGI and OG Processing Services Holdings	144
	<u>3,062</u>

12. **Customer reserves and security deposits**

Customer reserves and security deposits include balances required from merchants to provide for amounts which the Company would be entitled to reimbursement under its contractual arrangements. Customer reserves and security deposits relate to merchant collateral and outstanding payments due to merchants and consumers.

13. **Provisions**

	Customer Loss Provision \$
Balance at 12 April 2005	-
Provision assumed on business acquisition (refer to Note 1)	665
Provision made during the period	705
Balance at 31 December 2005	<u>1,370</u>

14. **Operating profit**

Operating profit has been arrived at after charging/(crediting) the following items:

	12 April 2005 to 31 December 2005 \$
Non-executive Directors' emoluments	178
Executive Directors' salaries	967
Directors' stock-based compensation expense	2,730
Operating lease rentals	94
Depreciation of equipment	47
Amortisation of intangibles	3,264

Remuneration of the independent auditors for audit and other services has been recorded as follows

	12 April 2005 to 31 December 2005 \$
Audit services	
Statutory audit	325
Non-audit services	
Tax and other advisory services	26
	<u>361</u>

15. **Personnel expenses**

Included in the Group's selling, general and administrative expenses are the following personnel expenses:

	12 April 2005 to 31 December 2005 \$
Wages and salaries	2,702
Stock-based compensation expense	4,481

During the period of 12 April 2005 to 31 December 2005, the Group employed an average of 49 employees. In addition, the Group utilises human resources through the outsourcing agreement between the Company and OPI as described in Note 1.

16. Share-based payments

(a) Restricted Share Unit Plan (“RSU Plan”)

The Company has an RSU Plan that provides for the granting of RSUs to any employee, director or officer or a former employee, director or officer of the Company or of OGI or any affiliates.

An initial award of RSUs in respect of an aggregate of 2,443,750 ordinary shares (“the Initial RSUs”) was made to directors, officers and employees of the Company and of OGI and its affiliates in May 2005. The original vesting period of the Initial RSUs was one-third on the 90th day following admission to the AIM (2 June 2005), an additional one-third on the first anniversary of the award and the remaining one-third on the second anniversary of their award. The exercise price of the Initial RSUs is the nominal amount of the underlying ordinary share. No award under the RSU Plan may be exercised later than seven years after the date the award is made.

The Initial RSUs had an estimated fair market value of \$5,718 on the grant date that was based on the estimated fair market value of the Group at that date, using established financial methodologies for business valuation as there was no established market for the Company’s shares. The valuation was determined by independent valuation experts who utilised a range of methodologies including cash flow models and the market values of comparable companies. Of this amount, the estimated fair market value of the Initial RSUs awarded to other than directors, officers and employees of the Group was estimated at \$4,120 and was recorded as an appropriation by OGI. The estimated fair market value of the Initial RSUs awarded to executive directors, officers and employees of the Group was estimated at \$1,598.

In November 2005, an aggregate of 56,248 RSUs were awarded to four non-executive directors of the Company. The estimated fair market value of \$362 was based on the estimated fair market value of the Group on the award date.

In December 2005, the Company accelerated the vesting of all unvested RSUs previously awarded, resulting in the acceleration of compensation expense that would have otherwise been recognised in the Company’s income statement with respect to these RSUs over the period ending May 2007. In order to prevent unintended personal benefits to RSU holders, the Company has imposed restrictions on any shares received through the exercise of accelerated RSUs. These restrictions prevent the sale of any stock obtained through exercise of an accelerated RSU prior to the earlier of the original vesting date or the termination of the individual’s employment (or appointment, in the case of the non-executive directors of the Company). As a result of the accelerated vesting and the concurrent accelerated vesting of unvested OGI stock options held by employees of an affiliate who provide services to the Company, the Company recorded a one-time charge in the period of \$3,176.

The RSUs outstanding as at 31 December are as follows:

	RSUs	Weighted average fair value per unit
	Number	\$
Opening	-	
Initial grant	2,443,750	2.34
Other grants	56,248	6.44
Exercised	(706,331)	(2.34)
Outstanding as at 31 December 2005	1,793,667	2.47

(b) **Share Option Plan**

The Company has a share option plan that provides for the granting of stock options to any employee, director or officer or a former employee, director or officer of the Group or of OGI or any affiliates (and to certain permitted assignees of such persons).

The option exercise price per ordinary share is determined by the Company's remuneration committee, but will be no less than the average market value of the ordinary shares on the five preceding dealing days immediately preceding the grant date (market value being derived from the average of the highest and lowest prices of an ordinary share as traded on AIM).

An option is normally exercisable between its vesting date or dates (as determined by the remuneration committee at the grant date) and seven years from the grant date.

As at 31 December 2005, no options had been granted under this plan.

17. **Income tax expense**

Analysis of charge in the period	12 April 2005 to 31 December 2005
	\$
Current tax expense for the current period	5,284
Deferred tax credit	(15)
Total income tax expense in income statement	5,269

The charge for the period can be reconciled to the profit per the income statement as follows:

	12 April 2005 to 31 December 2005	
	%	\$
Profit before tax		15,161
Tax at the Irish tax rate	12.5	1,895
Effects of:		
Stock-based compensation expense	3.7	560
Amortisation of intangibles	2.7	408
Foreign tax	16.1	2,437
Other	(0.2)	(31)
	34.8	5,269

18. **Earnings per share**

Basic and diluted earnings per share are calculated based on the following weighted average number of ordinary shares outstanding:

	12 April 2005 to 31 December 2005
	Number
Basic	50,082,367
Plus impact of RSUs outstanding	1,827,424
Diluted	51,909,791

19. **Commitments and contingencies**

Operating lease:

At the balance sheet date, the Group and Company had outstanding commitments for future minimum lease payments under an operating lease, which fall due as follows:

	As at 31 December 2005
	\$
Within one year	78
In the second to fifth years inclusive	284
After five years	-
Total	<u>362</u>

The operating lease represents rentals payable by the Company for its office property. The lease term is 25 years and rentals are fixed for an average of 5 years. The lease is cancellable after each 5-year period.

20. **Related party transactions**

(a) The following related party transactions occurred in the normal course of operations and were measured at the exchange amount, being the consideration established by and agreed to by the parties:

	12 April 2005 to 31 December 2005
	\$
Transaction processing costs charged by a company under common control	15,981
Administration and other fees charged by a company under common control	2,569
Administration and other fees charged by the parent company	916
Purchase of equipment from a company under common control	82

(b) **Acquisition of Business:**

During the period 12 April 2005 to 31 December 2005, the following related party transaction, which is described in Note 1 to the consolidated financial statements, occurred and was measured at its estimated fair value.

	<u>\$</u>
The transaction involved the acquisition of the following assets and liabilities from a company under common control:	
Cash	10,000
Trade receivables	13
Receivable from a company under common control	59,507
Customer contracts	14,138
Acquired technology	549
Goodwill	94,080
Trade and other liabilities	(992)
Customer reserves and security deposits	(59,506)
Deferred revenue	(159)
Deferred tax liability	(1,767)
Net assets acquired	<u>115,863</u>
Consideration issued:	
Ordinary shares	1,288
Excess of net assets acquired over par value of ordinary shares credited to share premium	114,575
	<u>115,863</u>

The primary factors that contributed to a purchase price that resulted in recognition of goodwill include the business' industry position, management strength, earnings prospects and ability to serve as a platform for potential strategic acquisitions for enhanced growth and profitability in this segment. The fair value at goodwill is supported by the Company's market capitalisation at 31 December 2005.

The valuation of the consideration issued was determined by independent valuation experts who utilised a range of methodologies including cash flow models and the market values of comparable companies.

As at 31 December 2005, the valuation of the assets and liabilities above is closed for revision.

The following related party balances exist on the balance sheet as at 31 December 2005:

	<u>\$</u>
Receivable from Optimal Payments Inc.	34,965
Payable to OG Processing Services Holdings (included in trade and other liabilities)	49
Payable to Optimal Group Inc. (included in trade and other liabilities)	95

The receivable and payables to related parties are all unsecured, interest free and repayable on demand.

(c) **Transactions with key management personnel**

In addition to their salaries, the Group also contributes to a post-employment defined contribution plan on their behalf. For those employees based in Ireland, the Company contributes 5% of their gross salaries. For those employees based in Canada, the Group contributes up to 2% of their gross salaries.

Total remuneration included in "personnel expenses" (see Note 15) is as follows:

	12 April 2005 to 31 December 2005
	\$
Non-executive Directors (including stock-based compensation of \$362)	533
Executive officers (including stock-based compensation of \$2,368)	3,335
	<u>3,868</u>

21. **Group entities**

(a) Control of the group

The Company is controlled by Optimal Group Inc. Optimal Group Inc. holds approximately 76% of the issued shares of the Company. The balance of 24% ownership is publicly held.

(b) Significant subsidiaries

	Nature of business	Registered Office	Jurisdiction	Ownership interest
FPA Processing Services Inc.	Payment Processing	Brunswick House 44 Chipman Hill, Suite 1000 St-John, New Brunswick E2L 4S6	Canada	100%
FirePay Ltd.	Payment Processing	Clarendon House 2 Churchhill Hamilton HM11	Bermuda	100%

22. Segment information

The Group operates in one business segment.

The following geographical information is derived by the Group based on the location of the assets of the Group and, in the case of revenue, the location of the customers.

As at 31 December 2005, the Group's assets are located in the following geographic regions:

	\$
Ireland	156,589
United Kingdom	41,525
Canada	30,153
	<u>228,267</u>

Revenues are derived from the following geographic regions:

	12 April 2005 to 31 December 2005
	\$
Americas and Caribbean	45,361
Europe	3,398
Rest of World	5,026
	<u>53,785</u>

In the period of 12 April 2005 to 31 December 2005, one merchant represented 11% of the Group's total revenue.

23. Financial Instruments

(a) Credit risk

Credit risk results from the possibility that a loss may occur from the failure of another party to perform according to the terms of the contract. Financial instruments that potentially subject the Group and Company to concentrations of credit risk consist primarily of cash, short-term investments and accounts receivable. Cash is maintained with high-credit quality financial institutions. Short-term investments consist of discounted notes issued by high-credit quality corporations. For accounts receivable, the Group and Company perform periodic credit evaluations. Allowances are maintained for credit losses consistent with the credit risk, historical trends, general economic conditions and other information.

Refer to Note 3 (l) for information with regards to credit risk relating to customer loss provisions.

(b) Interest rate risk

The Group's and Company's exposure to interest rate risk is as follows:

Trade receivables	Non-interest bearing
Receivable from a company under common control	Non-interest bearing
Cash	Fixed interest rate
Short-term investments	Fixed interest rate
Trade and other liabilities	Non-interest bearing
Customer reserves and security deposits	Non-interest bearing

All of these assets and liabilities are short-term or due on demand.

(c) **Fair value**

Fair value estimates are made as of a specific point in time using available information about the financial instrument. These estimates are subjective in nature and often cannot be determined with precision. The Group and Company have determined that the carrying values of short-term financial assets and liabilities are reasonable estimates of their fair values due to the relatively short periods to maturity of these instruments. The fair value of the Group's short-term investments as at 31 December 2005 amounted to \$70,342 (book value of \$70,214) which was calculated by reference to various market data.

(d) **Currency risk**

The Group and Company are not significantly exposed to foreign currency exchange risk as the majority of the transactions are denominated in U.S. dollars. The Group and Company manage the exposure to currency risk by commercially transacting in U.S. dollars and by limiting the use of other currencies for operating expenses, thereby minimising the realised and unrealised foreign exchange gain (loss).

24. **Accounting estimates and judgements**

Certain critical accounting judgements in applying the Group's and Company's accounting policies are described below.

(a) **Goodwill and intangibles**

Goodwill is the residual amount that results when the purchase price of an acquired business exceeds the sum of amounts allocated to the assets acquired, less liabilities assumed, based on their fair values. Intangible assets acquired are initially recognised and measured at cost. The cost is allocated to the individual intangible assets based on their relative fair values. In determining the fair values of the assets acquired and liabilities assumed, the Group and Company use accepted valuation methods and, in certain instances, engages independent valuers. The use of estimates is inherent in the valuation process and therefore effect the assessment of fair value.

(b) **Provision for customer losses**

The Group and Company record a provision for losses pertaining to merchant and consumer customers. In estimating the provision, the Group and Company consider, amongst other factors, historical loss experience, industry data, volume trends and probability. As a result of the use of estimates, actual losses could differ from those estimates. These provisions are not in relation to an amount receivable in the Group's and Company's financial statements as they represent loss reserves for financial guarantees.

(c) **Share-based payments**

Restricted share units and share options granted as compensation are expensed in the Group's income statement as stock-based compensation based on their fair value. Under the fair value-based method, compensation cost is measured at fair value at the date of grant and is expensed over the award's vesting period. The fair value of awards is determined at the date of grant using an accepted pricing model. The use of estimates is inherent in the various pricing models. These estimates may include valuation of the underlying ordinary share, interest rate, volatility in the underlying ordinary share price, expected life of the award and expected dividend yield on the underlying ordinary share.

(d) **Income tax**

The Group records its income tax provision based on filing positions that are deemed reasonable and appropriate, there is no assurance that a taxation authority will not challenge those positions. A challenge to certain filing positions taken, if successful despite best efforts to defend the Group's original position, could result in additional taxes (including penalties and interest).

25. **Subsequent event**

On 2 March 2006, the Board of Directors of the Company recommended a dividend of \$0.187 per share or approximately \$9,500.

Section B – Interim Results for the Nine Months ended 30 September 2006

The financial information contained in Appendix III, Section B is the condensed consolidated unaudited interim financial statements of FireOne Group plc for the nine months period ended 30 September 2006 prepared in accordance with International Financial Reporting Standards. This information has been extracted, without material adjustment, from an announcement dated 7 November 2006.

FireOne Group plc Condensed Consolidated Interim Income Statements

For the three months ended 30 September 2006 and 2005, the nine months ended 30 September 2006 and for the period of 12 April to 30 September 2005
(all amounts in thousands of U.S. dollars, except per share amounts)
(unaudited)

	Notes	Three Months Ended 30 September		Nine	12 April to
		2006	2005	Months Ended	30 September
		\$	\$	30 September 2006	2005*
				\$	\$
Revenue		26,204	19,968	76,193	29,959
Expenses					
Transaction processing	8 (a)	9,568	8,001	26,610	12,114
Selling, general and administrative	8 (a)	5,583	3,391	17,286	5,256
Finance income		1,343	51	3,463	59
Profit before undernoted items		12,396	8,627	35,760	12,648
Stock-based compensation expense		427	929	641	1,305
Depreciation of equipment		43	10	126	13
Amortisation of intangibles		1,272	1,992	3,815	1,992
Foreign exchange loss		99	94	980	86
Exceptional provision for customer losses	2 (a)	3,959	-	3,959	-
Impairment of intangibles and goodwill	2 (b)	78,371	-	78,371	-
(Loss)/profit before tax		(71,775)	5,602	(52,132)	9,252
Income tax expense		575	2,696	4,211	3,958
(Loss)/profit for the period		(72,350)	2,906	(56,343)	5,294
(Loss)/earnings per share					
Basic	6	(1.40)	0.06	(1.10)	0.11
Diluted	6	(1.40)	0.06	(1.10)	0.10

* FireOne Group plc was incorporated on 12 April 2005. The assets of the online gaming payments business were transferred on 11 May 2005 and thus operations commenced on this date representing 143 days of operations (note 1).

FireOne Group plc
Condensed Consolidated Interim Balance Sheet
As at 30 September 2006
(all amounts in thousands of U.S. dollars)

	Notes	30 September 2006 (unaudited) \$	31 December 2005 (audited) \$
ASSETS			
Non-current assets			
Equipment		571	537
Goodwill	2 (b), 8 (b)	22,400	94,080
Intangibles	2 (b)	917	11,423
Total non-current assets		<u>23,888</u>	<u>106,040</u>
Current assets			
Deferred tax		44	-
Prepays		550	347
Trade receivables		2,018	1,060
Receivable from a company under common control	8 (c)	-	34,965
Settlement assets		14,652	-
Short-term investments		23,567	35,614
Cash and short-term investments held as reserves		11,950	-
Cash and cash equivalents		79,235	50,241
Total current assets		<u>132,016</u>	<u>122,227</u>
Total assets		<u>155,904</u>	<u>228,267</u>
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	7	1,329	1,304
Share premium		114,575	114,575
Other reserves		9,208	6,948
(Deficit)/retained profit		(72,093)	7,425
		<u>53,019</u>	<u>130,252</u>
Non-current liabilities			
Deferred revenue		18	44
Deferred tax		219	1,752
Total non-current liabilities		<u>237</u>	<u>1,796</u>
Current liabilities			
Trade and other liabilities	8 (c)	6,588	3,062
Income tax payable		8,365	2,907
Customer reserves and security deposits		82,484	88,804
Provisions	2 (a)	5,135	1,370
Deferred revenue		76	76
Total current liabilities		<u>102,648</u>	<u>96,219</u>
Total liabilities		<u>102,885</u>	<u>98,015</u>
Total shareholders' equity and liabilities		<u>155,904</u>	<u>228,267</u>

FireOne Group plc
Condensed Consolidated Interim Statement of Changes in Equity
For the nine months ended 30 September 2006
(all amounts in thousands of U.S. dollars)
(unaudited)

	Notes	Share Capital - Ordinary Shares	Share Premium	Other Reserves	Deficit	Total
		\$	\$	\$	\$	\$
Balance as at 31 December 2005		1,304	114,575	6,948	7,425	130,252
Exercise of restricted share units	7	25	-	(2,297)	2,297	25
Dividends	10	-	-	994	(22,550)	(21,556)
Appropriation by parent company for non-cash, stock-based compensation	5 (a)	-	-	2,922	(2,922)	-
Stock-based compensation expense for the period		-	-	641	-	641
Loss for the period		-	-	-	(56,343)	(56,343)
Balance as at 30 September 2006		1,329	114,575	9,208	(72,093)	53,019

FireOne Group plc
Condensed Consolidated Interim Cash Flow Statements

For the three months ended 30 September 2006 and 2005, the nine months ended 30 September 2006 and for the period of 12 April to 30 September 2005

(all amounts in thousands of U.S. dollars, except per share amounts)

(unaudited)

	Three Months Ended 30 September		Nine	12 April
	2006	2005	Months Ended 30 September 2006	to 30 September 2005*
	\$	\$	\$	\$
OPERATING ACTIVITIES				
(Loss)/profit for the period	(72,350)	2,906	(56,343)	5,294
Adjustments for:				
Stock-based compensation expense	427	929	641	1,305
Depreciation of equipment	43	10	126	13
Amortisation of intangibles	1,272	1,992	3,815	1,992
Impairment of intangibles and goodwill	78,371	-	78,371	-
Deferred revenue	(13)	(16)	(26)	(24)
Foreign exchange (gain)/loss	(58)	(138)	14	(157)
Finance income	(1,343)	(51)	(3,463)	(59)
Income tax expense	575	2,696	4,211	3,958
Operating profit before changes in working capital and provisions	6,924	8,328	27,346	12,322
Increase in prepaids	(271)	(404)	(203)	(404)
Decrease/(increase) in trade receivables	367	6,185	(513)	(6,597)
Increase in settlement assets	(4,734)	-	(14,652)	-
Increase in cash and short-term investments held as reserves	(342)	-	(11,950)	-
(Decrease)/increase in trade and other liabilities	(419)	466	3,526	1,325
Increase/(decrease) in customer reserves and security deposits	2,736	9,221	(6,320)	12,376
Increase in provisions	3,461	50	3,765	120
Cash provided by operations	7,722	23,846	999	19,142
Interest income received	1,444	51	3,018	59
Income taxes paid	(83)	-	(497)	-
Net cash inflow from operating activities	9,083	23,897	3,520	19,201
INVESTING ACTIVITIES				
Purchase of equipment	(46)	(183)	(160)	(279)
Decrease/(increase) in receivable from company under common control	-	(4,434)	34,965	549
Decrease in short-term investments	18,933	-	12,047	-
Net cash inflow/(outflow) from investing activities	18,887	(4,617)	46,852	270
FINANCING ACTIVITIES				
Cash acquired as part of acquisition of business	-	-	-	10,000
Dividend paid in cash	(11,969)	-	(21,556)	-
Proceeds from the exercise of restricted share units	4	1	25	1
Net cash (outflow)/inflow from financing activities	(11,965)	1	(21,531)	10,001
Effect of exchange rate changes on cash and cash equivalents	(7)	96	153	99
Net increase in cash and cash equivalents	15,998	19,377	28,994	29,571
Cash and cash equivalents, beginning of period	63,237	10,194	50,241	-
Cash and cash equivalents, end of period	79,235	29,571	79,235	29,571

* FireOne Group plc was incorporated on 12 April 2005. The assets of the online gaming payments business were transferred on 11 May 2005 and thus operations commenced on this date representing 143 days of operations (note 1).

FireOne Group plc

Notes to Condensed Consolidated Interim Financial Statements

For the three months ended 30 September 2006 and 2005, the nine months ended 30 September 2006 and the period of 12 April 2005 to 30 September 2005
(all amounts in thousands of U.S. dollars)
(unaudited)

1. General

FireOne Group plc ("the Company") was incorporated on 12 April 2005. The Company has three wholly-owned subsidiaries: FPA Processing Services Inc. ("FPA") and FirePay Ltd., which were incorporated in April 2005 and FirePay UK Ltd., incorporated in February 2006.

The notes refer to the Company and its subsidiaries (the "Group") unless otherwise stated.

Optimal Group Inc. ("OGI"), the Company's ultimate parent, and Optimal Payments Inc. ("OPI"), a company under common control, underwent an internal reorganisation whereby on 11 May 2005 OPI's online gaming payments business ("the Business") was transferred to the Group.

The transfer of assets and liabilities of the Business between the related parties indicated above resulted in share premium of approximately \$114,575 (see Note 8(b)).

On 2 June 2005, OGI completed a flotation of 20% of its ownership in the Company on the London Stock Exchange's AIM Market.

2. Enactment of United States Unlawful Internet Gambling Enforcement Act of 2006

On 30 September 2006, the United States Congress passed the Unlawful Internet Gambling Enforcement Act of 2006 ("the Act"). The Act became law in the United States on 13 October 2006. The Act prohibits any person engaged in the business of betting or wagering from knowingly accepting any financial instrument in connection with unlawful Internet gambling. The Act does not define unlawful Internet gambling nor does it make unlawful any activities by financial institutions that are not themselves gambling businesses. The Act directs the United States Federal Reserve and the Department of the Treasury to develop regulations that would direct financial institutions to identify and block certain types of financial transactions connected with unlawful Internet gambling.

Upon the enactment of the Act, the Group ceased processing settlement transactions originating from United States consumers that may be viewed as related to online gambling, which represented approximately 83% and 84% of the Group's total revenue in the three and nine months ended 30 September 2006, respectively. The Group may not be able to identify and engage in other opportunities that will offset the lost revenue. The enactment of the Act has had and will have a significant negative impact on the Group's results as follows:

(a) Exceptional provision related to customer losses

As described in note 3(r), the Group records provisions for customer losses related to transactions that are disputed and cannot be recovered from merchants or consumers. As a result of the enactment of the Act, the Group recorded exceptional provisions for customer losses of \$3,959 in the three and nine months ended 30 September 2006.

(b) **Impairment of intangibles and goodwill**

As a result of the enactment of the Act and the resulting significant negative impact on the Business, an impairment of intangible assets and goodwill has been recorded as at 30 September 2006.

The following impairment was recorded in the three and nine months ended 30 September 2006:

Goodwill	71,680
Customer contracts	6,691
	<u>78,371</u>

The impairment was calculated based on comparing the carrying value of the assets to their recoverable value as at 30 September 2006 in accordance with the policies detailed in notes 3(i) and 3(k). Recoverable amount was determined based on a value-in-use calculation, using cash flow projections prepared by management. Estimated future cash flows were discounted using a rate reflecting the uncertainty inherent in the continuing operations and the time value of money. Cash flow projections were based on management's estimates of expected cash flows from ongoing operations. Management believes that any reasonable possible change in the key assumptions on which the recoverable amounts are based would not cause the carrying amount to exceed the recoverable amount.

(c) **Restructuring**

The Group has embarked upon a restructuring of its operations and cost base and will record a restructuring charge for associated costs, such as employee termination benefits and costs of leased premises no longer utilised. This charge will be reflected in the Group's fourth quarter results and is currently estimated to be approximately \$1.5 million.

The Group will continue to offer its multi-currency credit and debit card and FirePay electronic wallet processing to the online gambling industry originating from non-U.S. consumers and not prohibited by the Act.

The Group derived a substantial portion of its revenue prior to 13 October 2006 from processing transactions for online gambling originating from United States consumers. Therefore the Group may be exposed to adverse consequences as a result of enforcement proceedings, governmental investigations or lawsuits initiated against it in jurisdictions where online gambling is or becomes restricted or prohibited. In the event that the United States government initiates enforcement proceedings, or that any adverse findings, rulings or judgements are rendered in any such investigations or lawsuits directed at the Group or at its customers or suppliers, it may have a significant negative impact on the operations of the Group's business. While best estimates have been used for reporting financial statement items subject to measurement uncertainty, management considers that it is possible, based on existing knowledge, that changes in future conditions in the near term could require a material change in the recognised amounts of certain assets and liabilities. "Near term" is considered to be within one year from the date of the financial statements.

At the present time, the Group is not aware of any enforcement proceedings, governmental investigations or lawsuit initiated against it in relation to the processing of online gambling transactions.

3. Significant accounting policies

The condensed consolidated interim financial statements were authorised for issuance on 2 November 2006.

(a) Basis of presentation

The condensed consolidated interim financial statements have been prepared in accordance with accounting policies set out below which are based on the recognition and measurement principles of International Financial Reporting Standards ("IFRS"). The condensed consolidated interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the most recent annual audited consolidated financial statements of the Group as at and for the period ended 31 December 2005.

The principal functional currency of the Group is U.S. dollars and accordingly the financial statements have been prepared in U.S. dollars, rounded to the nearest thousand. These condensed consolidated interim financial statements have been prepared on the historical cost basis except for the fair value of restricted share units. All interim results presented are unaudited and do not constitute statutory accounts within the meaning of the Companies Acts 1963 to 2005. All recognised gains and losses are recorded in the income statement.

The unaudited condensed consolidated balance sheet as at 30 September 2006 and the unaudited condensed consolidated statements of income, changes in equity and cash flows for the three months and nine months ended 30 September 2006 reflect all adjustments which, in the opinion of management, are necessary to present a fair statement of the results of the interim period. The income and cash flows for any interim period are subject to variation and are not necessarily indicative of the income or cash flows for an entire year.

The accounting policies have been applied consistently by the Group entities.

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(b) Consolidation

These consolidated financial statements include the accounts of the Company and enterprises controlled by the Company (its subsidiaries) as at year-end. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities. The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, FPA Processing Services Inc., FirePay Ltd. and FirePay UK Ltd. All intercompany transactions and balances between Group enterprises are eliminated on consolidation.

(c) Revenue recognition

Revenue is generated from merchant customers for payment processing services, as well as from consumers who utilise the Group's electronic wallet offering. Merchants are charged a fee, which is based upon the merchant's charge volume and risk profile, and this fee is a percentage of the dollar amount of each transaction. The balance of revenue is derived from a variety of fixed transaction fees, including set-up fees, fees for monthly minimum charge volume requirements and fees for other miscellaneous services, such as handling chargebacks. Consumers who utilise the electronic wallet are charged various fixed transaction fees such as a fee for each deposit made to their account. Discount and other fees related to payment transactions are recognised at the time transactions are processed. Revenue from set-up fees is deferred and recognised over the expected term of the merchant relationship, which is estimated to be five years.

(d) **Share-based payments**

The Company may issue equity settled share options and restricted share units ("RSUs") to certain employees and directors of the Company and OGI and its affiliates. Any share options and RSUs are measured at the estimated fair value at the grant date. The fair value of any options issued are measured using an option pricing model, taking into account the terms and conditions upon which the options were granted. The estimated fair value determined at the grant date of the share option or RSU granted is amortised on a straight-line basis to the income statement over the vesting period, based on the Company's estimate of shares that will eventually vest.

RSUs granted to certain directors and employees of OGI are measured at their estimated fair value at the grant date and accounted for through reserves, as an appropriation of profit at that date.

(e) **Income tax**

The income tax on the profit for the period comprises current and deferred tax.

Current tax is based on the profit for the period adjusted for items that are non-assessable or disallowed for tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The temporary difference related to goodwill is not provided for. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(f) **Earnings per share**

Basic earnings per share is determined using the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is computed in a manner consistent with basic earnings per share, except that the weighted average shares outstanding are increased to include additional shares from the assumed exercise of options and RSUs, if dilutive. The number of additional shares is calculated by assuming that outstanding options and RSUs were exercised, and that the proceeds from such exercises are used to repurchase ordinary shares at the average market price during the reporting period.

(g) **Foreign currency translation**

Transactions in foreign currencies are translated at the foreign exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to U.S. dollars at the foreign exchange rate prevailing at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate prevailing at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to U.S. dollars at foreign exchange rates prevailing at the dates the fair value was determined.

(h) **Equipment**

Equipment is recorded at cost less accumulated depreciation. Depreciation is provided for over the estimated useful lives of the assets using the straight-line method over the following periods:

Software	2 years
Computer equipment	3 years
Furniture and fixtures	5 years
Leasehold improvements	Lease term

(i) **Goodwill**

Goodwill is the residual amount that results when the purchase price of an acquired business exceeds the sum of amounts allocated to the assets acquired, less liabilities assumed, based on their fair values. Goodwill is allocated as of the date of the asset acquisition or business combination to the Group's reporting units that are expected to benefit from the synergies of the transaction.

Goodwill is not amortised but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that the asset may be impaired. If there is any indication of impairment, the recoverable amount is estimated. Recoverable amount is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Recoverable amount is typically determined for the cash generating unit to which it belongs. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

(j) **Intangibles**

Intangible assets acquired either individually or with a group of other assets are initially recognised and measured at cost. The cost of a group of intangible assets, including those acquired in a business combination that meet the specified criteria for recognition apart from goodwill, is allocated to the individual assets based on their relative fair values.

Intangible assets with finite useful lives are amortised using the straight-line method over the following periods:

Customer contracts	20 - 60 months
Acquired technology	24 months

(k) **Impairment of long-lived assets**

Long-lived assets, consisting of property and equipment and intangible assets with finite useful lives, are reviewed whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable, which is established as the carrying amount of an asset to be held and used over the sum of the discounted cash flows expected from its use and disposal; the impairment recognised is measured as the amount by which the carrying amount of the asset exceeds its fair value.

(l) **Trade receivables**

Trade receivables are stated at their cost less impairment losses.

(m) **Settlement assets**

Settlement assets result from timing differences in the Group's settlement process. These timing differences arise primarily as a result of settlement amounts due from financial institutions representing the card associations and debit networks. These amounts are typically funded to the Group within days from the transaction processing date.

(n) **Short-term investments**

Short-term investments include investments with maturities of less than a year, as well as investments with maturities greater than a year that can be promptly liquidated. Investments are classified as held to maturity and are carried at amortised cost less impairment losses.

(o) **Cash and short-term investments held as reserves**

The Group has agreements with various financial institutions for the settlement of payment transactions. Under the terms of these agreements, the Group is required to maintain certain amounts as reserves, which may be applied against any amounts for which the financial institutions would be entitled to reimbursement. Certain amounts charged by the financial institutions are charged to the Company's customers.

In certain instances, the reserves may be part of a pooled reserve with a company under common control. Should a financial institution apply amounts against the Group's share of a pooled reserve which relate to a company under common control, the Group would be entitled to reimbursement from the company under common control.

(p) **Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand and balances with financial institutions, and highly liquid debt instruments with original terms to maturity of three months or less.

(q) **Trade and other payables**

Trade and other payables, all of which are short-term, are not interest bearing and are stated at the amounts owed. The carrying amount of trade and other payables approximates to their fair value.

(r) **Provisions**

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Disputes between a consumer and a merchant periodically arise as a result of, among other things, consumer dissatisfaction with a merchant's services. Such disputes may not be resolved in the merchant's favour. In these cases, the transaction may be charged back to the merchant, which means the transaction amount is refunded to the consumer and, in certain instances, charged to the merchant. If the merchant has insufficient funds or the Group has indemnified the merchant against such losses, the Group must bear the credit risk for the full amount of the transaction. These are contracts which include financial guarantees that represent a form of insurance arrangement, and are accounted for as such. In this respect, the Group treats the guarantee contract as a contingent liability until such time as it becomes probable that the Group will be required to make a payment under the guarantee. Management evaluates the risk for such transactions and estimates the loss for disputed transactions based primarily on historical experience and other relevant factors.

The provision for losses is decreased by realised losses and is increased by provisions for losses, net of any recoveries. The net charge for the provision for merchant and consumer losses is included in selling, general and administrative expenses and transaction processing costs, respectively, except for the exceptional provisions as described in note 2(a). The provision for customer losses is included within current liabilities.

(s) **Segment reporting**

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

4. **Comparative figures**

Certain reclassifications have been made to the comparative financial statements for the period of 12 April 2005 to 30 September 2005 to conform to the current presentation.

5. Share-based payments

(a) Restricted Share Unit Plan ("RSU Plan")

The Company has an RSU Plan that provides for the granting of RSUs to any employee, director or officer or a former employee, director or officer of the Company or of OGI or any affiliates.

An initial award of RSUs in respect of an aggregate of 2,443,750 ordinary shares ("the Initial RSUs") was made to directors, officers and employees of the Company and of OGI and its affiliates in May 2005. The original vesting period of the Initial RSUs was one-third on the 90th day following admission to the AIM (2 June 2005), an additional one-third on the first anniversary of the award and the remaining one-third on the second anniversary of the award. The exercise price of the Initial RSUs is the nominal amount of the underlying ordinary share. No award under the RSU Plan may be exercised later than seven years after the date the award is made.

In November 2005, an aggregate of 56,248 RSUs were awarded to four non-executive directors of the Company.

In December 2005, the Company accelerated the vesting of all unvested RSUs previously awarded, resulting in the acceleration of compensation expense that would have otherwise been recognised in the Company's income statement with respect to these RSUs over the period ending May 2007. In order to prevent unintended personal benefits to RSU holders, the Company has imposed restrictions on any shares received through the exercise of accelerated RSUs. These restrictions prevent the sale of any shares obtained through exercise of an accelerated RSU prior to the earlier of the original vesting date or the individual's termination of employment. As a result of the accelerated vesting and the concurrent accelerated vesting of unvested OGI stock options held by employees of an affiliate who provide services to the Company, the Company recorded a one-time charge in its fiscal 2005 consolidated income statement, reflecting the unamortised portion of the fair value of the unvested RSUs and OGI stock options.

In May 2006, an aggregate of 1,299,000 RSUs were awarded to directors, officers and employees of the Group and of OGI and its affiliates ("the May 2006 RSUs"). The vesting period of the May 2006 RSUs is one-third on the first anniversary of the award, an additional one-third on the second anniversary of the award and the remaining one-third on the third anniversary of the award.

In May 2006, an aggregate of 73,116 RSUs were awarded to RSU holders as a dividend equivalent (note 10).

The May 2006 RSUs had an estimated fair market value of \$8,049 on the grant date. Of this amount, the estimated fair market value of the May 2006 RSUs awarded to other than directors, officers and employees of the Group was estimated at \$2,922 and was recorded as an appropriation by OGI. The estimated fair market value of the May 2006 RSUs awarded to directors, officers and employees of the Group was \$5,127.

In August 2006, an aggregate of 126,788 RSUs were awarded to RSU holders as a dividend equivalent (note 10).

As at 30 September 2006, 2,303,331 RSUs remain unexercised.

(b) Share Option Plan

The Company has a share option plan that provides for the granting of stock options to any employee, director or officer or a former employee, director or officer of the Company or of OGI or any affiliates (and to certain permitted assignees of such persons).

The option exercise price per ordinary share is determined by the Company's remuneration committee of the Board of Directors, but will be no less than the average market value of the ordinary shares on the five dealing days immediately preceding the grant date (market value being derived from the average of the highest and lowest prices of an ordinary share as traded on AIM).

An option is normally exercisable between its vesting date or dates (as determined by the remuneration committee of the Board of Directors at the grant date) and seven years from the grant date. As at 30 September 2006, no options had been granted under this plan.

(c) **Placing Agreement Options**

Pursuant to a placing agreement dated 27 May 2005, the Company granted Numis Securities Limited the right to subscribe for up to 375,000 ordinary shares of €0.02 each in the capital of the Company at any time between the first and fourth anniversaries of admission to the AIM (2 June 2005) at the placing price of 241p.

6. **(Loss)/earnings per share**

Basic and diluted (loss)/earnings per share are calculated based on the following weighted average number of ordinary shares outstanding:

	<u>Three Months Ended 30 September</u>		<u>Nine Months Ended 30 September 2006</u>	<u>12 April to 30 September 2005</u>
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
	Number	Number	Number	Number
Basic	51,605,092	50,014,651	51,216,746	50,007,836
Plus impact of RSUs and options outstanding	-	2,288,623	-	1,856,391
Diluted	<u>51,605,092</u>	<u>52,303,274</u>	<u>51,216,746</u>	<u>51,864,227</u>

The impact of the RSUs and options outstanding for the three and nine months ended 30 September 2006 were anti-dilutive and therefore are not included in the calculation of diluted loss per share.

7. **Share capital**

	<u>30 September 2006</u>	<u>31 December 2005</u>
	\$	\$
Authorized:		
500,000,000 ordinary shares of €0.02 per share		
Issued and fully paid:		
51,687,848 ordinary shares (50,706,331 ordinary shares as at 31 December 2005) (par value of €0.02 per share)	<u>1,329</u>	<u>1,304</u>

During the nine-month period ended 30 September 2006, 981,517 restricted share units were exercised for a cash consideration of \$25 resulting in the issuance of 981,517 ordinary shares with a par value being €0.02 per share. As a result of this issuance, share capital was increased by \$25 of cash proceeds, and the deficit was decreased by the fair value of the restricted share units exercised (\$2,297).

8. Related party transactions

- (a) The following related party transactions occurred in the normal course of operations and were measured at the exchange amount, being the consideration established by and agreed to by the parties:

	Three Months Ended 30 September		Nine Months Ended 30 September	12 April to 30 September
	2006	2005	2006	2005
	\$	\$	\$	\$
Transaction processing costs charged by a company under common control	1,520	5,950	12,727	10,063
Administration and other fees charged by a company under common control	1,204	1,062	3,615	1,587
Administration and other fees charged by the parent company	850	412	3,388	518
Purchase of equipment from a company under common control	-	-	-	82

(b) Acquisition of Business

During the period 12 April 2005 to 31 December 2005, the following related party transaction, which is described in note 1, occurred and was measured at estimated fair value:

	\$
The transaction involved the transfer of the following assets and liabilities from a company under common control:	
Cash at bank	10,000
Trade receivables	13
Receivable from a company under common control	59,507
Customer contracts	14,138
Acquired technology	549
Goodwill	94,080
Trade and other liabilities	(992)
Customer reserves and security deposits	(59,506)
Deferred revenue	(159)
Deferred tax liability	(1,767)
Net assets transferred	<u>115,863</u>
Consideration issued:	
Ordinary shares	1,288
Excess of net assets acquired over par value of ordinary shares credited to share premium	<u>114,575</u>
	<u>115,863</u>

The primary factors that contributed to a purchase price that resulted in recognition of goodwill include the business' industry position, management strength, earnings prospects and ability to serve as a platform for potential strategic acquisitions for enhanced growth and profitability in this segment.

The valuation of the consideration issued was determined by an independent valuation expert who utilised a range of methodologies including cash flow models and the market values of comparable companies.

The valuation of the assets and liabilities above is closed for revision.

(c) The following related party balances exist on the balance sheet:

	30 September 2006	31 December 2005
	\$	\$
Receivable from Optimal Payments Inc.	-	34,965
Payable to Optimal Payments Inc. (included in trade and other liabilities)	791	-
Payable to Optimal Group Inc. (included in trade and other liabilities)	974	144

The receivable and payables to related parties are all unsecured, interest free and repayable on demand.

9. Segment information

The Company operates as one business segment.

The following geographical information is derived by the Group based on the location of the assets of the Group and, in the case of revenue, the location of the customers.

The Group's assets are located in the following geographic regions:

	30 September 2006	31 December 2005
	\$	\$
Europe	116,085	195,062
Americas and Caribbean	39,819	33,205
	<u>155,904</u>	<u>228,267</u>

Revenue is derived from the following geographic regions:

	Three Months Ended 30 September		Nine Months Ended 30 September 2006	12 April to 30 September 2005
	2006	2005	2006	2005
	\$	\$	\$	\$
Americas and Caribbean	22,392	17,075	64,674	25,422
Europe	2,303	1,022	7,399	1,546
Rest of World	1,509	1,871	4,120	2,991
	<u>26,204</u>	<u>19,968</u>	<u>76,193</u>	<u>29,959</u>

10. Dividends

On 18 May 2006, the Company paid a final dividend of \$0.187 per share, or \$10,047, of which \$9,587 was paid in cash and \$460 in additional RSUs.

On 28 August 2006, the Company paid an interim dividend of \$0.232 per share, or \$12,503, of which \$11,969 was paid in cash and \$534 in additional RSUs.

APPENDIX IV

ADDITIONAL INFORMATION

1. Responsibility

- (a) The directors of Optimal Acquisition (whose names are set out in paragraph 2 below) and OGI (whose names are set out in paragraph 2 below), solely in their capacity as such, accept responsibility for the information contained in this document, other than that relating to FireOne, the FireOne Group, the directors of FireOne and members of their immediate families, related trusts and persons connected with them. To the best of the knowledge and belief of the directors of Optimal Acquisition and of OGI (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- (b) The directors of FireOne (whose names are set out in paragraph 2 below) accept responsibility for the information contained in this document relating to FireOne, the FireOne Group, the directors of FireOne (solely in their capacity as such) and members of their immediate families, related trusts and persons connected with them, except for the recommendation and the related opinions of the Independent Committee. The Independent Committee accepts responsibility for the recommendation and the related opinions of the Independent Committee contained in this document. To the best of the knowledge and belief of the directors of FireOne and the Independent Committee (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they respectively accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors and Registered Office of Optimal Acquisition, FireOne and OGI

The names of the directors of Optimal Acquisition are as follows:

Holden Ostrin
Gary Wechsler
Neil Wechsler

The registered office of Optimal Acquisition is

2 Place Alexis Nihon
3500 de Maisonneuve Boulevard West
Suite 1700
Montreal, Quebec
H3Z 3C1

The names of the directors of FireOne are as follows:

Leon Garfinkle
Benjamin Dalfen
David Schwartz
Shaun Lavelle
Roger Withers
Paschal Taggart*
Declan O'Neill *
John Greely*

* Members of the Independent Committee

The registered office of FireOne is:

10D Park West Business Park
Clondalkin
Dublin 12

The names of the directors of OGI are as follows:

Tommy Boman
James Gertler
Jonathan Ginns
Henry Karp
Thomas Murphy
Holden Ostrin
Stephen Shaper
Sydney Sweibel
Neil Wechsler

The registered office of OGI is

2 Place Alexis Nihon
3500 de Maisonneuve Boulevard West
Suite 1200
Montreal, Quebec
H3Z 3C1

3. **Market Quotations**

The following table shows the last dealt price for FireOne Shares as derived from the Daily Official List of the London Stock Exchange in each case on the first dealing day in each month from June 2006 to November 2006 inclusive, on 14 December 2006 (the latest Business Day prior to the commencement of the Offer Period) and at the close of business on 20 December 2006 (the latest practicable date before the posting of this document);

Date	London (£)
1 June 2006	0.58
3 July 2006	2.69
1 August 2006	2.02
1 September 2006	2.26
2 October 2006	0.58
1 November 2006	0.59
1 December 2006	0.51
14 December 2006	0.51
20 December 2006	0.58

4. **Shareholding and dealings**

(a) **Shareholding in FireOne Shares**

- (i) At the close of business on 20 December 2006 (the latest practicable date to obtain the relevant information prior to the posting of this document), the interests of the directors of FireOne in FireOne Shares and RSUs, which have been notified to FireOne under Section 53 of the Companies Act 1990 of Ireland or which were required to be entered in the register of directors' interests maintained under the provisions of Section 59 of that Act are as set out below:

Name	Number of FireOne Shares	RSUs over FireOne Shares		
		Number of RSUs	Expiry Date	Exercise Price €
John Greely	10,000			
Declan O'Neill	14,479			
Paschal Taggart	14,479			
Roger Withers	14,479			
Benjamin Dalfen		184,697.787	08 May-2012	0.02
Benjamin Dalfen		228,156.090*	12-May-2013	0.02
Leon Garfinkle		72,792.657	08-May-2012	0.02
Leon Garfinkle		76,052.030*	12-May-2013	0.02
John Greely		15,277.767	03-Nov-2012	0.02
John Greely		13,037.491*	12-May-2013	0.02
Shaun Lavelle		9,054.537	08-May-2012	0.02
Shaun Lavelle		21,729.151*	12-May-2013	0.02
Declan O'Neill		0.974	03-Nov-2012	0.02
Declan O'Neill		13,037.491*	12-May-2013	0.02
David Schwartz		46,174.447	08-May-2012	0.02
David Schwartz		135,807.197*	12-May-2013	0.02
Paschal Taggart		0.974	03-Nov-2012	0.02
Paschal Taggart		13,037.491*	12-May-2013	0.02
Roger Withers		19,556.236*	12-May-2013	0.02
Roger Withers		0.974	03-Nov-2012	0.02

*In order to allow RSU Holders to realise value from their RSUs, the Independent Committee, in exercise of the powers of the Board under the RSU Plan, has determined that the Offer constitutes a "Change of Control" transaction for the purpose of the RSU Plan with the result that all outstanding RSUs (including unvested RSUs) will vest and become conditionally exercisable upon the completion of the Offer. Any RSUs not so exercised will lapse upon the completion of the Offer. To the same end, the Independent Committee has also released the restrictions imposed on the disposal of Ordinary Shares received through the exercise of RSUs, the vesting of which was accelerated by the Company in December 2005.

- (ii) At the close of business on 20 December 2006 (the latest practicable date to obtain the relevant information prior to the posting of this document), the interests of the directors of FireOne in shares in OGI, are as set out below:

Name	Number of OGI Shares	Options over OGI Shares		Exercise Price \$
		Number of OGI Options	Expiry Date	
Benjamin Dalfen	40			
Leon Garfinkle	3,000			
David Schwartz	230			
Benjamin Dalfen		755	11-Jul-2007	C\$4.85
Benjamin Dalfen		755	26-May-2008	C\$5.32
Benjamin Dalfen		2,243	15-Oct-2008	C\$8.83
Benjamin Dalfen		4,532	30-Jan-2009	C\$10.92
Benjamin Dalfen		14,349	04-Apr-2009	US\$7.43
Benjamin Dalfen		29,108	29-Apr-2009	US\$7.10
Leon Garfinkle		125,000	29-Apr-2009	US\$7.10
Shaun Lavelle		1,133	02-Sep-2008	C\$6.09
Shaun Lavelle		2,000	29-Apr-2009	US\$7.10
David Schwartz		6,798	11-Jul-2007	C\$4.85
David Schwartz		7,115	05-Mar-2008	C\$3.97
David Schwartz		11,330	20-Aug-2008	C\$5.63
David Schwartz		11,330	30-Jan-2009	C\$10.92
David Schwartz		14,349	04-Apr-2009	US\$7.43
David Schwartz		15,108	29-Apr-2009	US\$7.10

All of the options have vested and are fully exercisable.

- (iii) The interests of Optimal Acquisition and its concert parties in FireOne's shares, which have been notified to FireOne under Section 67 of the Companies Act 1990 of Ireland or which were required to be entered in the register maintained under the provisions of Section 80 of that Act are as set out below:

Name	Number of FireOne Shares
OGI	7,500,000
OG Processing Services Holdings	32,500,000

- (iv) At the close of business on 20 December 2006 (the latest practicable date to obtain the relevant information prior to the posting of this document) the interests of persons who prior to the despatch of this document irrevocably committed themselves to accept the Offer were as follows:

Name	Number of FireOne Shares	RSUs over FireOne Shares		
		Number of RSUs	Expiry Date	Exercise Price €
Independent Committee				
John Greely	10,000	28,315	3 November 2012/12 May 2013	€0.02
Declan O'Neill	14,479	13,038	12 May 2013	€0.02
Paschal Taggart	14,479	13,038	12 May 2013	€0.02
Roger Withers	14,479	19,557	12 May 2013	€0.02
Other FireOne directors				
Benjamin Dalfen		412,853	8 May 2012/12 May 2013	€0.02
Leon Garfinkle		148,844	8 May 2012/12 May 2013	€0.02
Shaun Lavelle		30,783	8 May 2012/12 May 2013	€0.02
David Schwartz		181,981	8 May 2012/12 May 2013	€0.02
Shareholders				
	7,500,000			
OGI				
OG Processing Services Holdings	32,500,000			

- (v) At the close of business on 20 December 2006 (the latest practicable date to obtain the relevant information prior to the posting of this document), the interests of the directors of Optimal Acquisition and OGI in FireOne Shares and RSUs are as set out below.

Name	Number of FireOne Shares	RSUs over FireOne Shares		
		Number of Shares	Expiry Date	Exercise Price €
Holden Ostrin	-	346,922	8 May 2012/12 May 2013	€0.02
Gary Wechsler	4,764	141,870	8 May 2012/12 May 2013	€0.02

Neil Wechsler	10,601	346,906	8 May 2012/12 May 2013	€0.02
Tommy Boman	29,166	15,848	8 May 2012	€0.02
Thomas Murphy	4,583	15,844	8 May 2012	€0.02
Henry Karp	-	27,190	8 May 2012	€0.02
Stephen Shaper	27,803	124,037	8 May 2012/12 May 2013	€0.02
James Gertler	29,166	15,844	8 May 2012	€0.02
Jonathan Ginns	29,166	15,844	8 May 2012	€0.02
Sydney Sweibel	-	47,532	8 May 2012	€0.02

- (vi) At the close of business on 20 December 2006 (the latest practicable date to obtain the relevant information prior to the posting of this document), neither Genuity Capital nor any persons controlling, controlled by or under the same control as Genuity Capital, owned or controlled any FireOne Shares.
- (vii) At the close of business on 20 December 2006 (the latest practical date to obtain the relevant information prior to the posting of this Offer Document) neither Numis Securities nor any and persons controlling, controlled by or under the same control as Numis Securities, (excluding exempt market-makers) owned or controlled any FireOne Shares.
- (viii) At the close of business on 20 December 2006 (the latest practicable date to obtain the relevant information prior to the posting of this document), no partner or member of Matheson Ormsby Prentice (legal advisers to Optimal Acquisition and OGI) professionally engaged in relation to the Offer owned or controlled any FireOne Shares.
- (ix) At the close of business on 20 December 2006 (the latest practicable date to obtain the relevant information prior to the posting of this Offer Document) no partner or member of McCann FitzGerald Solicitors (legal advisers to FireOne) professionally engaged in relation to the Offer owned or controlled any FireOne Shares.
- (x) At the close of business on 20 December 2006 (the latest practicable date to obtain the relevant information prior to the posting of this Offer Document) no partner or member of KPMG Chartered Accountants (auditors to FireOne) professionally engaged in relation to the Offer owned or controlled any FireOne Shares.

(b) Dealings in FireOne Shares and RSUs

- (i) Dealings for value in FireOne Shares and RSUs by the persons referred to in paragraph 4(a)(i) above during the Disclosure Period were as follows:

Name	Transaction Type	Date	Quantity	Exercise Price/Sale Price € (unless otherwise stated)	Monies Paid € (unless otherwise stated)
Mitchell Garber	Exercise of RSUs	13 March 2006	248,750	0.02	4,975
Shaun Lavelle	Exercise of RSUs	12 May 2006	8,333	0.02	166.66
Shaun Lavelle	Sale of Shares	12 May 2006	8,333	£3.33	166.66
Benjamin Dalfen	Grant of RSUs	12 May 2006	210,000	0.02	
Benjamin Dalfen	Dividend Equivalent	18 May 2006	11,293.6	0.02	
Benjamin Dalfen	Dividend Equivalent	28 August 2006	21,560.277	0.02	
Leon Garfinkle	Grant of RSUs	12 May 2006	76,052	0.02	
Leon Garfinkle	Dividend Equivalent	18 May 2006	4,071.64	0.02	
Leon Garfinkle	Dividend Equivalent	28 August 2006	7,773.047	0.02	
John Greely	Grant of RSUs	12 May 2006	12,000	0.02	
John Greely	Dividend Equivalent	18 May 2006	774.563	0.02	

John Greely	Dividend Equivalent	28 August 2006	1,478.695	0.02	
Shaun Lavelle	Grant of RSUs	12 May 2006	20,000	0.02	
Shaun Lavelle	Dividend Equivalent	18 May 2006	842.086	0.02	
Shaun Lavelle	Dividend Equivalent	28 August 2006	1,607.602	0.02	
Declan O'Neill	Grant of RSUs	12 May 2006	12,000	0.02	
Declan O'Neill	Dividend Equivalent	18 May 2006	774.563	0.02	
Declan O'Neill	Dividend Equivalent	28 August 2006	680.902	0.02	
David Schwartz	Grant of RSUs	12 May 2006	125,000	0.02	
David Schwartz	Dividend Equivalent	18 May 2006	4,978.1	0.02	
David Schwartz	Dividend Equivalent	28 August 2006	9,503.544	0.02	
Paschal Taggart	Grant of RSUs	12 May 2006	12,000	0.02	
Paschal Taggart	Dividend Equivalent	18 May 2006	774.563	0.02	
Paschal Taggart	Dividend Equivalent	28 August 2006	680.902	0.02	
Roger Withers	Grant of RSUs	12 May 2006	18,000	0.02	
Roger Withers	Dividend Equivalent	18 May 2006	952.883	0.02	
Roger Withers	Dividend Equivalent	28 August 2006	1,021.327	0.02	
John Greely	Purchase	2 June 2006	10,000	£2.70	£27,000
Declan O'Neill	Exercise of RSUs	30 June 2006	14,479	0.02	289.58
Paschal Taggart	Exercise of RSUs	30 June 2006	14,479	0.02	289.58
Roger Withers	Exercise of RSUs	30 June 2006	14,479	0.02	289.58

(ii) Dealings for value in FireOne Shares by Optimal Acquisition or its concert parties during the Disclosure Period were as follows:

Name	Transaction Type	Date	Quantity	Exercise Price/Sale Price €(unless otherwise stated)
Tommy Boman	Dividend Equivalent	18 May 2006	433.436	0.02
Tommy Boman	Dividend Equivalent	28 August 2006	827.461	0.02
James Gertler	Dividend Equivalent	18 May 2006	433.436	0.02
James Gertler	Dividend Equivalent	28 August 2006	827.461	0.02
Jonathan Ginns	Dividend Equivalent	18 May 2006	433.436	0.02
Jonathan Ginns	Dividend Equivalent	28 August 2006	827.461	0.02
Henry Karp	Dividend Equivalent	18 May 2006	1,612.31	0.02
Henry Karp	Dividend Equivalent	28 August 2006	3,078.013	0.02
Thomas Murphy	Dividend Equivalent	18 May 2006	433.436	0.02
Thomas Murphy	Dividend Equivalent	28 August 2006	827.461	0.02
Holden Ostrin	Grant of RSUs	12 May 2006	210,000	0.02
Holden Ostrin	Dividend Equivalent	18 May 2006	9,770.45	0.02
Holden Ostrin	Dividend Equivalent	28 August 2006	18,652.477	0.02
Stephen Shaper	Grant of RSUs	12 May 2006	60,000	0.02
Stephen Shaper	Dividend Equivalent	18 May 2006	3,393.043	0.02
Stephen Shaper	Dividend Equivalent	28 August 2006	6,477.558	0.02
Sydney Sweibel	Dividend Equivalent	18 May 2006	1,300.25	0.02
Sydney Sweibel	Dividend Equivalent	28 August 2006	2,482.269	0.02
Gary Wechsler	Grant of RSUs	12 May 2006	80,000	0.02
Gary Wechsler	Dividend Equivalent	18 May 2006	5,475.91	0.02
Gary Wechsler	Dividend Equivalent	28 August 2006	7,408.851	0.02
Neil Wechsler	Grant of RSUs	12 May 2006	210,000	0.02
Neil Wechsler	Dividend Equivalent	18 May 2006	13,299.7	0.02
Neil Wechsler	Dividend Equivalent	28 August 2006	18,458.043	0.02
Tommy Boman	Exercise of RSUs	26 April 2006	14,583	0.02
James Gertler	Exercise of RSUs	26 April 2006	14,583	0.02
Jonathan Ginns	Exercise of RSUs	26 April 2006	14,583	0.02
Thomas Murphy	Exercise of RSUs	26 April 2006	14,583	0.02
Stephen Shaper	Exercise of RSUs	28 April 2006	27,083	0.02
Tommy Boman	Exercise of RSUs	8 May 2006	14,583	0.02
James Gertler	Exercise of RSUs	8 May 2006	14,583	0.02
Jonathan Ginns	Exercise of RSUs	8 May 2006	14,583	0.02
Thomas Murphy	Exercise of RSUs	8 May 2006	14,583	0.02
Holden Ostrin	Exercise of RSUs	8 May 2006	118,750	0.02
Gary Wechsler	Exercise of RSUs	24 May 2006	55,264	0.02
Neil Wechsler	Exercise of RSUs	24 May 2006	125,808	0.02
Henry Karp	Exercise of RSUs	29 August 2006	31,750	0.02
Neil Wechsler	Exercise of RSUs	29 August 2006	6,543	0.02
Holden Ostrin	Exercise of RSUs	29 August 2006	10,250	0.02
Thomas Murphy	Sale of shares	11 May 2006	6,583	US\$6.077
Thomas Murphy	Sale of shares	11 May 2006	4,000	US\$6.037
Thomas Murphy	Sale of shares	11 May 2006	4,000	US\$6.063
Henry Karp	Sale of shares	19 Dec 2005	27,000	£3.34
Henry Karp	Sale of shares	14 Sept 2006	5,594	£1.91
Henry Karp	Sale of shares	15 Sept 2006	4,190	£1.81

Henry Karp	Sale of shares	18 Sept 2006	8,380	£1.76
Henry Karp	Sale of shares	27 Sept 2006	2,095	£1.74
Henry Karp	Sale of shares	28 Sept 2006	11,491	£1.72
Holden Ostrin	Sale of shares	19 Dec 2005	118,000	£3.34
Holden Ostrin	Sale of shares	31 Aug 2006	7,500	£2.25
Holden Ostrin	Sale of shares	14 Sept 2006	21,534	£1.91
Holden Ostrin	Sale of shares	15 Sept 2006	16,130	£1.81
Holden Ostrin	Sale of shares	18 Sept 2006	32,260	£1.76
Holden Ostrin	Sale of shares	27 Sept 2006	8,065	£1.74
Holden Ostrin	Sale of shares	28 Sept 2006	44,261	£1.72
Gary Wechsler	Transfer/gift of shares	21 Dec 2005	1,500	£3.38
Gary Wechsler	Sale of shares	22 Dec 2005	45,000	£3.34
Gary Wechsler	Sale of shares	22 Dec 2005	1,000	£3.25
Gary Wechsler	Sale of shares	10 Mar 2006	3,000	£3.50
Gary Wechsler	Sale of shares	17 Mar 2006	9,500	£3.00
Gary Wechsler	Purchase of shares	15 May 2006	1,000	£3.15
Gary Wechsler	Purchase of shares	15 May 2006	1,000	£3.35
Gary Wechsler	Transfer/gift of shares	14 June 2006	2,500	£2.57
Gary Wechsler	Sale of shares	31 Aug 2006	8,804	£2.25
Gary Wechsler	Sale of shares	14 Sept 2006	6,595	£1.91
Gary Wechsler	Sale of shares	15 Sept 2006	13,190	£1.81
Gary Wechsler	Sale of shares	27 Sept 2006	3,298	£1.74
Gary Wechsler	Transfer/gift of shares	29 Sept 2006	4,320	£1.72
Gary Wechsler	Sale of shares	29 Sept 2006	13,793	£1.72
Neil Wechsler	Sale of shares	19 Dec 2005	100,000	£3.34
Neil Wechsler	Sale of shares	22 Dec 2005	1,000	£3.25
Neil Wechsler	Sale of shares	10 Mar 2006	5,000	£3.50
Neil Wechsler	Sale of shares	17 Mar 2006	20,750	£3.00
Neil Wechsler	Purchase of shares	15 May 2006	1,000	£3.35
Neil Wechsler	Purchase of shares	15 May 2006	1,000	£3.15
Neil Wechsler	Sale of shares	14 June 2006	5,000	£2.57
Neil Wechsler	Sale of shares	31 August 2006	7,500	£2.25
Neil Wechsler	Sale of shares	14 Sept 2006	19,591	£1.91
Neil Wechsler	Sale of shares	15 Sept 2006	14,675	£1.81
Neil Wechsler	Sale of shares	18 Sept 2006	29,350	£1.76
Neil Wechsler	Sale of shares	27 Sept 2006	7,338	£1.74
Neil Wechsler	Transfer/gift of shares	29 Sept 2006	8,510	£1.72
Neil Wechsler	Sale of shares	29 Sept 2006	31,786	£1.72
Thomas Murphy	Sale of shares	16 May 2006	10,000	0.02

- (iii) Save as disclosed in paragraph 4 (b) (i) above no person who has irrevocably committed to accept the Offer has dealt in FireOne Shares during the Disclosure Period.
- (iv) There have been no dealings for value in FireOne Shares by Numis Securities and persons controlling, controlled by and under the same control as Numis Securities (excluding exempt market-makers) during the Offer Period.
- (v) Genuity Capital and persons controlling, controlled by or under the same control as Genuity Capital have not dealt for value in FireOne Shares during the Disclosure Period.
- (vi) No partner or member of the professional staff of McCann FitzGerald Solicitors professionally engaged in relation to the Offer has dealt for value in FireOne Shares since the commencement of the offer period to the close of business on 20 December 2006 being the last practicable date to obtain relevant information prior to the posting of this Offer Document.
- (vii) No partner or member of the professional staff of Matheson Ormsby Prentice Solicitors professionally engaged in relation to the Offer, has dealt for value in FireOne Shares during the Disclosure Period.
- (viii) No partner or member of the professional staff of KPMG, Chartered Accountants, professionally engaged in relation to the Offer, has dealt for value in FireOne Shares since the commencement of the Offer Period to the

close of business on 20 December 2006, being the last practical date to obtain relevant information prior to the posting of this Offer Document.

- (c) Save as disclosed in paragraphs 4(a)(iii), (iv), (v) and 4(b)(ii) above neither Optimal Acquisition nor any of the directors of Optimal Acquisition, nor to the best of the knowledge of each of the directors of Optimal Acquisition, whose names are set out in paragraph 2 of Appendix IV of this document, no persons deemed to be acting in concert with Optimal Acquisition owns or controls any FireOne Shares or any securities convertible into, rights to subscribe for or options (including traded options) in respect of, or any derivatives referenced to, any FireOne Shares ("relevant securities"), nor has any such person dealt for value therein during the Disclosure Period.
- (d) Save as disclosed in this paragraph 4, neither:
 - (i) any subsidiary of FireOne, nor any pension fund of FireOne or any of its subsidiaries nor any financial or other professional adviser of FireOne (including stockbrokers but excluding exempt market makers or exempt fund managers) who is providing advice to FireOne in relation to the Offer, including any person controlling, controlled by or under the same control as any such financial, or other professional adviser; nor
 - (ii) any discretionary fund manager (other than an exempt fund manager) connected with FireOne; nor

owns or controls any relevant securities as at the close of business on 20 December 2006 (the latest practicable date to obtain the relevant information prior to the posting of this document), nor has any such person as is mentioned in sub-paragraphs (i) to (vi) above dealt for value therein since the commencement of the Offer Period to the close of business on 20 December 2006 (the latest practicable date to obtain the relevant information prior to the posting of this document).

- (e) Save as disclosed herein, neither Optimal Acquisition nor any person acting in concert with Optimal Acquisition nor so far as Optimal Acquisition and its directors are aware no associate of Optimal Acquisition has any arrangement with any other person in relation to relevant securities. For these purposes "arrangement" includes any indemnity or option arrangements and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing.
- (f) Save as disclosed herein, neither OGI nor any person acting in concert with OGI nor so far as OGI and its directors are aware no associate of OGI has any arrangement with any other person in relation to relevant securities. For these purposes "arrangement" includes any indemnity or option arrangements and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing.
- (g) Save as disclosed herein, so far as FireOne, its directors and any associate of FireOne are aware, neither FireOne nor any associate of FireOne has any arrangement with any other person in relation to relevant securities or shares in Optimal Acquisition. For these purposes "arrangement" includes any indemnity or option arrangements and any agreement of understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing.
- (h) Save as disclosed herein above, neither FireOne nor any of the directors of FireOne nor any member of their immediate families or persons connected with them (within the meaning of Part IV of the Companies Act 1990 of Ireland) owns or is directly or indirectly interested in any ordinary shares in Optimal Acquisition or OGI, nor has any such person dealt for value therein during the Disclosure Period.

- (i) FireOne has not redeemed or purchased any FireOne Shares during the Disclosure Period.
- (j) References in this paragraph to:
 - (i) an “associate” are to:
 - (a) subsidiaries and associated companies of FireOne or Optimal Acquisition and companies of which any such subsidiaries or associated companies are associated companies;
 - (b) banks, financial and other professional advisers (including stockbrokers) (acting in relation to the Offer) to FireOne or Optimal Acquisition or a company covered in (a) above, including persons controlling, controlled by or under the same control as such banks, financial or other professional advisers;
 - (c) the directors of FireOne, the directors of Optimal Acquisition and the directors of any company covered in (a) above (together in each case with their close relatives and related trusts);
 - (d) the pension funds of FireOne or a company covered in (a) above; and
 - (e) an investment company, unit trust or other person whose investments an associate (as otherwise defined in this paragraph (j)) manages on a discretionary basis, in respect of the relevant investments accounts;
 - (ii) a “bank” does not apply to a bank whose sole relationship with Optimal Acquisition or FireOne or a company covered in paragraph (i)(a) above is the provision of normal commercial banking service or such activities in connection with the Offer as handling acceptances and other registration work.
- (k) For the purposes of this paragraph, ownership or control of 20 per cent. or more of the equity share capital of a company is regarded as the test of associated company status and “control” means a holding, or aggregate holdings, of shares carrying 30 per cent. or more of the voting rights attributable to the share capital of the company which are currently exercisable at a general meeting, irrespective of whether the holding or aggregate holding gives de facto control.
- (l) To the extent that any dealings are disclosed by persons deemed to be acting in concert with Optimal Acquisition following the announcement of the Offer and before the Offer becomes or is declared unconditional in all respects, details of such dealings will be put on display at the offices of Matheson Ormsby Prentice, Solicitors, 30 Herbert Street, Dublin 2, Ireland.
- (m) The following parties have an interest in 5% or more of the issued share capital of OGI:
 - (i) William Blair & Company, L.L.C., 22 W. Adams, Chicago, Illinois, USA 60606;
 - (ii) Harbinger Capital Partners Master Fund I Ltd c/o International Fund Services (Ireland) Ltd, Third Floor, Bishop’s Square, Redmond’s Hill, Dublin 2, Ireland; and
 - (iii) FMR Corp. of 82 Devonshire Street, Boston, Massachusetts, USA 02109.

5. **Material Contracts**

The following contracts are the only contracts (not being contracts entered into in the ordinary course of business) that have been entered into by FireOne or any member of the Fire One Group within the two years immediately preceding the date of this document which are or may be material or which have been entered into by FireOne or any member of the FireOne Group at any other time and which contain provisions under which FireOne or any member of the FireOne Group has an obligation or entitlement that is material to the FireOne Group as at the date of this document.

Purchase and Licence Agreement

A purchase and licence agreement dated 11 May 2005 between OPI (1) and FPA Canada (2) pursuant to which OPI sold certain assets of its online gaming payment processing unit to FPA Canada in consideration of the issue by FPA Canada of 99,999,999 of its ordinary shares of common stock to OPI and by FPA Canada assuming the liabilities associated with the unit. This agreement and the assets and liabilities transferred under it were subsequently assigned on 12 May 2005 by FPA Canada to FireOne pursuant to the Sale and Purchase Agreement, details of which are set out below.

The assets acquired by FPA Canada comprised principally rights in relation to the consumer-facing elements of the software relating to the FirePay Wallet, the mini rules engine software, the FirePay trade marks and domain names (together with the goodwill associated with the marks), the benefit of certain merchant agreements and contracts with consumers, all personal information relating to the individual consumers who have entered into the consumer e-wallet contracts, outstanding debtors, limited relevant knowhow and books and records and US\$10,000,000 in net cash. OPI has retained all rights in the non-consumer facing elements of the software relating to the FirePay Wallet and its other software.

Sale and Purchase Agreement

A sale and purchase agreement dated 11 May 2005 between OPI (1) and FireOne (2) pursuant to which FireOne acquired the entire issued share capital of FPA Canada in consideration of the issue by FireOne to OPI of 100,000,000 FireOne Shares.

Assignment

An assignment agreement dated 12 May 2005 between FPA Canada (1) and FireOne (2) pursuant to which FPA Canada transferred its assets and liabilities to FireOne pursuant to a reduction of FPA Canada's share capital and the assumption by FireOne of FPA Canada's liabilities.

Transitional Services Agreement

A transitional services agreement dated 11 May 2005 between OPI (1) and FPA Canada (2) pursuant to which OPI has agreed to provide certain services in support of payment processing, administration, human resources, operations and software development, maintenance and support. All of FPA Canada's rights and obligations under the agreement, save for OPI's obligation to provide certain limited office space in Montreal, were assigned on 12 May 2005 by FPA Canada to FireOne.

The agreement is for an initial period of five years which will automatically renew for further successive periods of two years each unless either party terminates it at the end of the relevant term by 120 days' written notice. FireOne is entitled to terminate the agreement at any time upon 120 days' written notice but OPI is obliged to continue to provide services to FireOne for a further period of 150 days from termination. Both parties have given limited warranties under the agreement with each parties' liability (except in certain specified circumstances) limited to the fees received by that party during the 18 month period preceding the warranty breach.

During the term of the agreement and for six months thereafter, OPI has undertaken not to provide services comparable to the services the subject of the agreement to any other party for gaming transactions, and not to (except as permitted under the agreement) commercialise or provide transaction-related services to any third party or to itself in relation to gaming transactions.

Nominated Adviser and Broker Agreement

A nominated adviser and broker agreement dated 27 May 2005 between Numis Securities (1) and FireOne (2) (“the Nominated Adviser and Broker Agreement”) pursuant to which FireOne appointed Numis Securities to act as its nominated adviser and broker for a period of one year from the date of Admission and thereafter unless terminated by 90 days’ prior written notice by Numis Securities or FireOne. Under the Nominated Adviser and Broker Agreement, FireOne agreed to pay Numis, for its services, a fee of £50,000 (plus VAT) per annum.

Relationship Agreement

A relationship agreement dated 27 May 2005 between FireOne (1) and OGI (2), pursuant to which OGI undertook to ensure that FireOne is able to operate independently from the OGI Group whilst a member of the OGI Group is its controlling shareholder.

The Placing Agreement

Under an agreement (“the Placing Agreement”) dated 27 May 2005 and made between FireOne, OGI, the executive Directors and Numis Securities, Numis Securities agreed (as agent for OGI) to use its reasonable endeavours to procure purchasers for 10,000,000 Ordinary Shares (the “Placing Shares”) at £2.41 (the “Placing Price”), failing which Numis Securities would itself purchase such Placing Shares at the Placing Price.

Under the Placing Agreement and subject to its becoming unconditional, OGI agreed to pay Numis Securities a commission of 4.75 per cent. of an amount equal to the first £25 million of the aggregate value at the Placing Price of the Placing Shares and 5 per cent. of an amount equal to the excess of the aggregate value at the Placing Price of the Placing Shares over £25 million and FireOne agreed to pay Numis Securities a corporate finance fee of up to £300,000 together with any applicable VAT.

Pursuant to the Placing Agreement, FireOne granted Numis Securities the right to subscribe for up to 375,000 Ordinary Shares (representing 0.75 per cent. of the issued share capital of FireOne on Admission) at any time between the first and fourth anniversaries of Admission at the Placing Price per Ordinary Share.

6. Directors’ service contracts

Save as disclosed below, no director or proposed director of FireOne has a service contract with FireOne having 12 months to run and no such service contracts have been entered into or amended within 6 months prior to the date of this document.

On 11 May 2005, FPA Canada entered into a service agreement with Benjamin Dalfen. The contract is terminable upon eighteen months’ notice in writing given by FPA Canada to Mr. Dalfen and three months’ notice given by Mr. Dalfen to FPA Canada. The current salary payable under this service agreement is C\$375,000 per annum and Mr. Dalfen is also eligible for a cash bonus on a discretionary basis (to be decided by the remuneration committee from time to time). Mr. Dalfen is entitled to private health insurance cover, a death in service benefit and permanent health insurance cover. The service agreement also contains certain restrictions on Mr. Dalfen following termination of his employment.

On 11 May 2005, FPA Canada entered into a service agreement with David Schwartz. The contract is terminable upon twelve months’ notice in writing given by FPA Canada to Mr Schwartz and three months’ notice in writing given by Mr Schwartz to FPA Canada. The current salary payable under this service agreement is C\$300,000 per annum and Mr.

Schwartz is also eligible for a cash bonus on a discretionary basis (to be decided by the remuneration committee from time to time). Mr. Schwartz is entitled to private health insurance cover, a death in service benefit and permanent health insurance cover. The service agreement also contains certain restrictions on Mr. Schwartz following termination of his employment.

On 27 May 2005, FireOne entered into a service agreement with Shaun Lavelle. The contract is terminable upon six months' notice in writing given by FireOne to Mr. Lavelle and three months' notice in writing given by Mr. Lavelle to FireOne. The current salary payable under this service agreement is €135,000 per annum and Mr. Lavelle is also be eligible for a cash bonus on a discretionary basis (to be decided by the remuneration committee from time to time). Mr. Lavelle is entitled to private health insurance cover, a death in service benefit and permanent health insurance cover. The service agreement also contains certain restrictions on Mr. Lavelle following termination of his employment.

Under the terms of their respective letters of engagement as non-executive Directors, dated 6 March 2006 as to Mr. Garfinkle and 6 May 2005 as to the four other non-executive Directors, Messrs. Garfinkle, Withers, Taggart, O'Neill and Greely are entitled to an annual fee of €44,000, €73,500, €44,000, €44,000 and €44,000 respectively. Their respective engagements continue until 6 March 2009 in the case of Mr. Garfinkle and 2 June 2008 in the case of the four other non-executive Directors, in each case unless previously terminated on one month's notice in writing given by either party.

7. Sources of information and bases of calculation

Unless otherwise stated, in this document:

- (a) The financial information on the FireOne Group is extracted from the audited consolidated results of the FireOne Group for the financial year ended 31 December 2005, and the unaudited interim financial statements for the nine month period ended 30 September 2006.
- (b) The value of the entire issued and to be issued ordinary share capital of FireOne is based upon 51,687,848 FireOne Shares in issue and 2,240,860 FireOne Shares to be issued to FireOne RSU Holders under the FireOne RSU Plan. References to a percentage of FireOne Shares are, unless indicated otherwise, based on the number of FireOne Shares in issue as at the date of this document.
- (c) FireOne Share prices are sourced from the Daily Official List.

8. Irish and UK Taxation

The following is a general summary of the significant Irish and UK tax considerations applicable to Irish and UK holders in respect of the disposition of FireOne Shares under the Offer.

(a) Irish Tax Considerations

This summary is based on Irish taxation laws currently in force, regulations promulgated thereunder, the current provisions of the Ireland-United Kingdom Double Taxation Convention (the "Ireland-UK Treaty"), proposals to amend any of the foregoing publicly announced prior to the date hereof, and the currently published administrative practices of the Irish Revenue Commissioners. Taxation laws are subject to change, from time to time, and no representation is or can be made as to whether such laws will change, or what impact, if any, such changes will have on the statements contained in this summary. We have assumed, for the purposes of this summary, that any proposed amendments will be enacted in the form proposed. No assurance is or can be given that proposed amendments will be enacted as proposed, or that legislative or judicial changes, or changes in administrative practice, will not modify or change the statements expressed herein.

This summary is of a general nature only and does not discuss all aspects of Irish taxation that may be relevant to a particular Irish or UK holder of FireOne Shares.

Holders of FireOne Shares are advised to consult their own tax advisers with respect to the application of Irish taxation laws to their particular circumstances in relation to the offer.

The summary only applies to FireOne Shareholders that legally and beneficially hold their FireOne Shares as capital assets and does not address special classes of holders of FireOne Shares, including, but not limited to dealers in securities, insurance companies, pension schemes, employee share ownership trusts, collective investment undertakings, charities, tax-exempt organisations, financial institutions and close companies, each of which may be subject to special rules not discussed below.

(i) Irish Tax Considerations for Irish Holders of FireOne Shares

This section applies to holders of FireOne Shares (“Irish Holders”) that (i) beneficially own the FireOne Shares registered in their name; (ii) in the case of individual holders, are resident, ordinarily resident and domiciled in Ireland under Irish taxation laws; (iii) in the case of holders that are companies, are resident in Ireland under Irish taxation laws; and (iv) are not considered resident in any country other than Ireland for the purposes of any double taxation agreement entered into by Ireland.

(1) Acceptance of the Offer

Irish Holders who dispose of their FireOne Shares for cash may be subject to Irish capital gains tax (“CGT”) (in the case of individuals) or Irish corporation tax (in the case of companies) to the extent that the proceeds realised from such disposition exceed the base cost of their FireOne Shares plus incidental selling expenses. The current rate of tax applicable to such chargeable gains is 20 per cent. An annual exemption allows individuals to realise chargeable gains up to €1,270 in each year without giving rise to CGT. This exemption may not be transferred between spouses. Irish holders are required under Ireland’s self-assessment system to file a tax return reporting any chargeable gains.

Irish Holders that realise a loss on the disposition of FireOne Shares will generally be entitled to offset such allowable losses against capital gains realised from other sources in determining their CGT or corporation tax liability in a year. Allowable losses which remain unrelieved in a year may generally be carried forward and applied against chargeable gains realised in future years.

Any CGT arising on the sale of FireOne Shares pursuant to the Offer is payable by 31 January 2007 for disposals of FireOne shares made between 1 October and 31 December 2006 and is payable by 31 October 2007 for disposals of FireOne Shares made between 1 January 2007 and 30 September 2007.

(2) Stamp Duty

No Irish Stamp Duty will be payable by a holder of FireOne Shares on their disposition.

(3) **RSU Holders**

Unique Irish tax considerations may apply to RSU Holders. Irish tax considerations applicable to RSU Holders will be set forth in a separate proposal document to be delivered to RSU Holders.

(ii) **Irish tax considerations for UK Holders of FireOne Shares**

This section applies to holders of FireOne Shares (“UK Holders”) who (i) beneficially own FireOne Shares; (ii) in the case of individual holders, are resident, ordinarily resident and domiciled in the United Kingdom for UK tax purposes, and not also resident, ordinarily resident or domiciled in Ireland for Irish tax purposes; (iii) in the case of corporate holders, are resident in the United Kingdom for UK tax purposes, and not also resident in Ireland for Irish tax purposes; (iv) are considered residents of the United Kingdom for the purposes of the Ireland-UK Treaty; and (v) do not hold their FireOne Shares in connection with any business carried on through a permanent establishment in Ireland.

(1) **Irish CGT**

UK Holders who dispose of their FireOne Shares for cash will not be subject to Irish CGT on the disposal.

(2) **Stamp Duty**

Irish Stamp Duty will not apply to UK Holders.

(b) **UK Holders of FireOne Shares**

The following paragraphs, which are intended as a general guide only, are based on current UK tax laws and HM Revenue & Customs practice and rates of taxation in force at the date of this document, which may be subject to change, perhaps with retrospective effect. They summarise certain limited aspects of the UK taxation treatment of the acceptance of the Offer, and they relate only to the position of individual and corporate FireOne Shareholders and who are resident or, if individuals, ordinarily resident in the UK. The summary does not address all possible tax consequences relating to a disposition of the FireOne Shares. In particular, it does not purport to address the tax consequences for special classes of investors, such as dealers in securities, of disposing of FireOne Shares or investors that hold the FireOne Shares in connection with a trade, profession or vocation carried on in the UK (whether through a branch or agency, in the case of a corporate investor, a permanent establishment, or otherwise). Neither does it consider in any detail the impact which a double tax agreement may have on liability to tax. As to the position in Ireland, see under “Irish tax considerations” above. All FireOne Shareholders, including those who are subject to taxation in any jurisdiction other than Ireland or the UK, should satisfy themselves as to the tax consequences of the disposition of the FireOne Shares by consulting with their own tax advisers.

UK taxation on chargeable gains

(i) **Individual holders of FireOne Shares**

Any disposal by individual UK tax resident or ordinarily resident (and, in either case, UK domiciled) holders of FireOne Shares may, depending on their individual circumstances, give rise to a chargeable gain or allowable loss for the purposes of UK taxation of capital gains. Shares traded on the Alternative Investment Market are treated as ‘unlisted’ for the purposes of capital gains tax taper relief and consequently the FireOne Shares may qualify as ‘business assets’ in the hands of individual shareholders, depending on the FireOne

Shares meeting all relevant qualifying conditions. Indexation allowance is not available to individuals.

The current rate of tax applicable to such chargeable gains will be 10%, 20% or 40%, depending on the level of the individual's other taxable income in the relevant tax year. Gains are taxed on individuals as the top slice of income. These rates are also subject to capital gains tax taper relief, which reduces the chargeable gain according to the number of complete years for which the FireOne shares are held. The level of taper relief will also depend on whether the FireOne shares qualify as 'business assets' in the hands of the individual shareholders. Taper relief applies to gains before the annual exemption (set at £8,800 for the tax year ended 5 April 2007). UK FireOne shareholders will be required to report the disposal in their UK tax return form. Any UK capital gains tax payable from the disposal of FireOne Shares will fall due for payment by 31 January following the end of the tax year of disposal.

Any individual UK Holders that realise a loss on the disposition of FireOne Shares will generally be entitled to offset such allowable losses against capital gains (before taper relief) realised from other sources in the same tax year. Any allowable losses which remain unrelieved in a year may generally be carried forward and applied against chargeable gains realised in future years.

An individual FireOne Shareholder who is resident or ordinarily resident in the United Kingdom but not domiciled in the UK, and whose shares are not situated in the UK, will be liable to UK capital gains tax only to the extent that chargeable gains made on the disposal of shares are remitted or deemed to be remitted to the UK. As FireOne's principal share register is situated in the Republic of Ireland, the FireOne shares are considered to be located abroad for capital gains tax purposes, but dealings in the shares on the Alternative Investment Market of the London Stock Exchange may give rise to remitted profits which would therefore be taxable.

Shareholders who are temporarily non-resident for a period of less than 5 years may be subject to UK tax on capital gains on disposals of their shares as if, broadly, the disposal was made in such shareholders' years of return to the UK.

(ii) **Corporate holders of FireOne Shares**

Any disposal by UK resident corporate FireOne Shareholders may give rise to a chargeable gain or allowable loss for the purposes of UK corporation tax. Taper relief does not apply to companies, although indexation allowance may be available on the base cost of their FireOne shares.

Chargeable gains are included within a UK company's overall profits chargeable to corporation tax and therefore the rate of tax applicable to such chargeable gains will depend on the corporate Shareholder's overall level of taxable profits. The full rate of corporation tax in the UK is 30%, although this may be reduced to 19% if the company qualifies for the 'small companies' rate. The date of payment for corporation tax on chargeable gains will also depend on the corporate Shareholder's specific circumstances.

Any UK resident corporate Shareholders that realise a loss on the disposition of FireOne Shares will generally be entitled to offset such allowable losses against chargeable gains realised from other sources in the same tax year. Any allowable losses which remain unrelieved in a year may generally be carried forward and applied against chargeable gains realised in future years.

(iii) **Other direct tax matters**

Further tax provisions may apply to FireOne Shareholders that have acquired or acquire their FireOne Shares by exercising options under the various FireOne Share Option Schemes including provisions imposing a charge to income tax when such an option is exercised.

(iv) **Stamp duty, stamp duty reserve tax (“SDRT”) and acceptance of the Offer**

No stamp duty or SDRT will be payable by FireOne Shareholders as a result of accepting the Offer. This will not necessarily be the case for persons such as market makers, brokers, dealers, intermediaries and persons connected with depository arrangements for clearance services, to whom special rules apply.

9. **Other information**

- (a) Full acceptance of the Offer (assuming the exercise of all RSUs granted under the RSU Plan) would involve a maximum cash payment of approximately £32.4million. Genuity is satisfied that the necessary resources are available to Optimal Acquisition to enable it to satisfy full acceptance of the Offer.
- (b) No proposal exists in connection with the Offer that any payment or other benefit shall be made or given by Optimal Acquisition to any director of FireOne as compensation for loss of office or as consideration for or in connection with his or her retirement from office.
- (c) Each of Genuity and Numis Securities has given and not withdrawn its written consent to the inclusion in this document of the references herein to its name in the form and context in which it appears.
- (d) Save as otherwise disclosed in this document, no agreement, arrangement or understanding exists between Optimal Acquisition or any person acting in concert with it or any of its associates and any of the directors or recent directors, shareholders or recent shareholders of FireOne having any connection with or dependence on, or which is conditional on, the outcome of the Offer.
- (e) Save as otherwise disclosed in this document, no agreement, arrangement or understanding exists whereby the beneficial ownership of any FireOne Shares acquired in pursuance of the Offer will be transferred to any other person, but Optimal Acquisition reserves the right to transfer any FireOne Shares to any other member of the OGI Group
- (f) Save as disclosed in this document, the board of Optimal Acquisition is not aware of any material change in the financial or trading position of Optimal Acquisition since 13 December 2006, the date of incorporation of Optimal Acquisition.
- (g) Save as disclosed in this document the Board of FireOne is not aware of any material change in the financial or trading position of FireOne since 31 December 2005 (the date to which the last published audited accounts of FireOne were prepared).
- (h) The total emoluments receivable by the current directors of Optimal Acquisition and of OGI will not be automatically varied as a result of the Offer.
- (i) There has been no material change in information previously published by FireOne or Optimal Acquisition in connection with the Offer since the commencement of the Offer Period.

- (j) Each of Optimal Acquisition and FireOne will pay its own expenses in connection with the Offer.

10. **Documents available for inspection**

Copies of the following documents will be available for inspection during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this document while the Offer remains open for acceptance at the offices of Matheson Ormsby Prentice, Solicitors, 30 Herbert Street, Dublin 2, Ireland.

- (a) the memorandum and articles of association of FireOne;
- (b) the full financial statements of OGI, extracts of which are contained in Appendix 2;
- (c) the articles of incorporation and by-laws of Optimal Acquisition;
- (d) the annual report and audited group financial statements of FireOne for the financial period ended 31 December 2005;
- (e) the service contracts of the directors of FireOne referred to in paragraph 6 above;
- (f) the material contracts referred to in paragraph 5 above;
- (g) the announcement made on 15 December 2006 and the letter sent to FireOne Shareholders pursuant to Rule 2.6(b) of the Rules;
- (h) this Offer Document dated 22 December 2006 and the Form of Acceptance;
- (i) copies of the irrevocable undertakings received in respect of the Offer as referred to on pages 4 and 5 of this document;
- (j) a copy of the RSU Plan; and
- (k) the letters of consent referred to in paragraph 9 (c) above.

APPENDIX V

DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise:

“Advertisement”	the advertisement of the Offer placed in the Financial Times on 23 December 2006;
“AIM”	the AIM market of the London Stock Exchange;
“Announcement”	the announcement of the recommended cash offer by Optimal Acquisition for FireOne made on 15 December 2006.
“£”, “p”, “pence” or “pounds”	the lawful currency of the United Kingdom;
“Board”	the board of directors of FireOne;
“Business Day”	a day, other than a Saturday or a Sunday, on which clearing banks are normally open for business in Dublin;
“Cash Offer” or “Offer”	the recommended cash offer for the entire issued, and to be issued, share capital of FireOne subject to the terms and conditions set out in this document and in the Form of Acceptance;
“Cent”	Euro cent;
“Closing Price”	the official closing price of a FireOne Share as derived from the Daily Official List;
“CREST”	the relevant system (as defined in the Regulations) in respect of which CRESTCo is the Operator (as defined in the Regulations);
“CRESTCo”	CRESTCo Limited;
“Daily Official List”	the Daily Official List of the London Stock Exchange;
“Day 21”	12 January 2007, the 21 st day following the date of this document;
“Day 42”	2 February, 2007, the 42 nd day following the date of this document;
“Day 46”	6 February, 2007, the 46 th day following the date of this document;
“Day 60”	20 February, 2007, the 60 th day following the date of this document;
“Disclosure Period”	the period commencing on 15 December 2005 (the date 12 months prior to the commencement of the Offer Period) and ending on 20 December 2006 (the latest practicable date to obtain the relevant information prior to the posting of this document);

“Escrow Agent”	Capita Corporate Registrars Plc;
“Euro” or “€”	the single currency of member states of the European Communities that adopt or have adopted the Euro as their currency in accordance with legislation of the European Union relating to European Economic and Monetary Union;
“Form of Acceptance”	the form of acceptance relating to the Offer accompanying this document for use by FireOne Shareholders;
“FireOne” or the “Company”	FireOne Group plc;
“FireOne Directors”	members of the board of directors of FireOne;
“FireOne Group” or the “Group”	FireOne, its subsidiaries and subsidiary undertakings (as such term is defined in the European Communities (Companies: Group Accounts) Regulations 1992 of Ireland);
“FireOne Shares”	the existing issued fully paid ordinary shares of €0.02 each in the capital of FireOne and any further such shares which are unconditionally allotted or issued after the date hereof and before the Offer closes (or before such other time as Optimal Acquisition may, subject to the Takeover Rules, decide in accordance with the terms and conditions of the Offer) and “FireOne Share” shall be construed accordingly;
“FireOne Shareholders”	the holders of FireOne Shares and “FireOne Shareholder” will be construed accordingly;
“FirePay Wallet”	the virtual, web-based electronic wallet operated by the FireOne Group;
“FPA Canada”	FPA Processing Services Inc., a wholly owned subsidiary of FireOne incorporated in the Canadian province of New Brunswick;
“Genuity Capital”	Genuity Capital Markets of Ontario, Canada;
“Independent Committee”	the independent committee of the Board comprising John Greely, Declan O’Neill, Paschal Taggart and Roger Withers;
“Ireland”	Ireland, excluding Northern Ireland, and the word Irish shall be construed accordingly;
“London Stock Exchange”	The London Stock Exchange plc;
“Member Account ID”	the identification code or number attached to any member account in CREST;
“Numis Securities”	Numis Securities Limited;
“Offer Document”	this document;
“Offer Period”	the offer period for the purposes of the Takeover Rules which commenced on 15 December 2006 relating to the Offer;
“Offer Price”	60p being the price per FireOne Share payable pursuant to the Offer;

“OGI”	Optimal Group Inc. (incorporated and registered in Canada), the parent company of the OGI Group;
“OGI Group”	the group of companies consisting of OGI and its subsidiaries;
“OPI”	Optimal Payments Inc, a company incorporated and registered in Canada, a wholly owned subsidiary of OGI;
“Optimal Acquisition”	Optimal Acquisition Inc, a company incorporated and registered in Canada, a wholly owned subsidiary of OGI;
“Optimal Acquisition Group”	the group of companies consisting of Optimal Acquisition, OGI and the subsidiaries of OGI other than any member of the FireOne Group;
“Optimal Payments Group”	OPI and its subsidiaries;
“Optimal Payments UK”	Optimal Payments Limited, a company incorporated and registered in the United Kingdom indirectly wholly owned subsidiary of OGI;
“Ordinary Shares”	ordinary shares of nominal value €0.02 each in the capital of FireOne;
“Overseas Shareholder”	FireOne Shareholders who are citizens or residents of jurisdictions outside Ireland and UK;
“Panel”	the Irish Takeover Panel established under the Irish Takeover Panel Act 1997 of Ireland;
“Participant ID”	the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant;
“Placing”	the placing by Numis Securities of the Placing Shares to institutional and other investors at the placing price pursuant to the Placing Agreement as described in paragraph 5 of Appendix (iv) on page 104 of this document;
“Placing Shares”	the 10,000,000 Ordinary Shares sold by OGI pursuant to the Placing;
“Regulations”	the Companies Act 1990 (Uncertificated Securities) Regulations, 1996 (SI No 68 of 1996) of Ireland;
“RSU”	the restricted share units issued pursuant to the provisions of the RSU Plan (each RSU holder being entitled to receive one Ordinary Share on exercise of a restricted share unit, subject to the provisions of the RSU Plan);
“RSU Holders”	the holders of RSUs issued pursuant to the provisions of the RSU Plan;
“RSU Plan”	the restricted share unit plan of FireOne pursuant to which restricted share units were issued to certain key employees of FireOne, OGI and OPI;
“Takeover Rules” or “Rules”	the Irish Takeover Panel Act 1997, Takeover Rules 2001 to 2006;

“TFE Instruction”	a transfer from escrow instruction (as defined in the CREST manual issued by CRESTCo);
“TTE Instruction”	a transfer to escrow instruction (as defined in the CREST manual issued by CREST Co);
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland; and
“United States” or “U.S.”	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and any other area subject to its jurisdiction.

All amounts contained within this document referred to by "€" and "c" refer to the Euro and Cent.

Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof.

Words importing the singular shall include the plural and vice versa and words importing the masculine gender shall include the feminine or neutral gender.