



bglobal plc

Annual Report and Financial Statements

For the period ended 31 March 2008

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Chairman's Statement

I am pleased to report the Group's results for the year ended 31 March 2008. The Group has made significant progress during the year, albeit at a slower pace than had been hoped at the time of flotation in April 2007, primarily as a result of electricity suppliers waiting for the outcome of the Department for Business Enterprise and Regulatory Reform's ("BERR") consultation which was announced in April 2008.

Results

Turnover increased by 60 per cent to £4.50 million (2007: £2.81 million), which is lower than expectations as a result of our contracted customers delaying installations as noted above.

Gross margins were 30.7% (2007: 24.4%). Administrative costs increased to £4.88 million (2007: £2.96 million), as the Group invested in increased data management and communication systems and the training of a sufficient number of people, which will be required when the anticipated increase in installations and data management services are achieved in 2008 and 2009.

The loss from operations for the period was £3.50 million (2007: £2.28 million) and after net finance income, the loss before taxation was £3.47 million (2007: £2.38 million) and the loss per share was 4.35p (2007: 4.18p).

Dividend

In line with the statement made at the time of the flotation, the Board is not recommending a dividend as all funds are needed at this time to be invested in the development of the business.

Business and Market developments

The Government set out its plans for smart metering in the medium industrial and commercial markets (as set out in the 2008 metering and billing consultation), which was announced in April 2008 and it is expected that legislation will be enacted to make smart meters mandatory for medium size businesses from 1 January 2009. The Government also indicated that the BERR report on the roll out of smart meters to residential and small businesses raised more complex questions and that it is undertaking further work to enable a full impact assessment to be completed.

I reported at the interim results that significant progress had been made in the development of a residential/small business meter together with EDML, our joint venture partner. We are pleased to report that we have a prototype meter which is expected to get Measuring Instruments Directive ("MID") approval in the second quarter of the current financial year.

Contracts

The major contracts signed in 2007 were behind forecast levels of installations but have just started to gather pace as the business market, under pressure from Government and the significant increase in energy costs, begins to accept the need for, and the benefits of, smart meters providing reliable energy consumption data and controlling costs.

We have already announced a number of framework supplier contracts with a number of energy and utility companies, including Scottish and Southern, Bizz Energy, Opus, Haven Power, British Gas and most recently Npower totalling, in aggregate, over 140,000 meters for meter installation, data collection and analysis.

In recent months, the newly recruited sales team has won contracts with many new retail customers and local government agencies, many of which include the full package of services, including energy management.

With more demand for energy services, following the year end the Company has started two new divisions, bglobal Energy Services ("BES") and bglobal Smart Solutions ("BSS"). BES will provide customers with additional services to smart metering, including energy management and consultancy. The first major contract for these services has already been won from tyre service supplier ATS Euromaster, who BES is assisting with electricity supply procurement, as well as smart metering installation. BSS will provide building management solutions that comply with the Energy Performance of Buildings Directive and multi-utility metering.

Board

When I was appointed to the Board as Non-Executive Chairman and the only independent Director of the Group, it was agreed that a further independent non-executive Director would be appointed during the first year, post flotation.

I am pleased to announce that the Company has appointed Tim Jackson-Smith, as a Non Executive Director from 1 September 2008. Tim is currently a partner in Halliwells LLP, solicitors, and currently works with a number of AIM and private technology companies and we welcome him to the Board.

I am also pleased to announce that the Board has appointed Tony Barnes to the Board as Chief Operating Officer from 1 September 2008 and we welcome him to the Board. Tony has spent the last few years as Managing Director of Utilisoft in Australia and has significant experience in the utility and communications industries. He will focus on managing the day to day operations of the Group as it expands its activities rapidly over the next year.

Outlook

We have also announced today a placing and subscription of 13,275,000 new ordinary shares at 20.0 pence per ordinary share to raise £2.655 million before expenses. The net proceeds of the placing and subscription will augment the Group's working capital to support the recent increase in order pipeline and the increase in installations anticipated over the coming months.

The BERR letter of 23 April 2008 marks an important step for the Company and it has already lead to increased demand from both utility companies and corporate customers for our services. The Board remains confident of the outlook for the Group particularly as a result of the recent increase in order pipeline to 140,000 meters and increased visibility of meter installations in the coming months.

James H Newman
Chairman

4 August 2008

Chief Executive's Review

In our last financial year we further consolidated our position as the leading provider of automated meter readings in the UK electricity market. It was also a year of frustration as we secured additional contracts from the major energy suppliers but were unable to execute on these contracts whilst the suppliers, understandably, waited for the outcome of the BERR consultation, which was published in April 2008.

The Government's decision to include medium sized businesses in the BERR consultation, which is principally concerned with the roll out of smart meters to the residential market, was in our view unnecessary. Particularly as the Carbon Trust report in May 2007 on advanced metering for SMEs stated that, "Widespread use of advanced metering by SMEs can provide cost-effective carbon savings for the UK and significant energy savings for customers"

However, the BERR letter to stakeholders dated 23 April 2008 has resulted in a significant shift in attitude from the energy suppliers and we look forward to an accelerated roll out of the framework pipeline that has been building up over recent months.

Review of Operations

The results to 31 March 2008 show a turnover of £4.50 million with the Group installing 15,528 meters during the financial year. Included in turnover is recurring revenue of £551,000 relating to the provision of DC/DA services to our customers.

During the financial year bglobal entered into framework contracts to install smart meters with utility customers such as Opus, Bizz Energy, Haven Power and Scottish and Southern, in addition to existing contracts with British Gas and Npower. Additionally, bglobal entered into contracts to install smart meters during the year with corporate customers and Local Authorities such as Vodafone and Bristol City Council.

At 25 July 2008 the Group has installed approximately 33,798 meters with its customers and we expect to see a significant increase in this figure through the roll-out of our growth plan following recent endorsement from the Government.

The Group has recently signed a variation agreement with Npower whereby it will deliver smart meters and data services to Npower's large to medium sized customers in a phased roll-out over the next two years. The Group now has framework contracts with six energy and utility companies, being Scottish and Southern, Bizz Energy, Opus, Haven Power, British Gas and most recently Npower. The directors estimate that these utility customers have approximately 60 per cent. of the medium to large and SME market. As a result of these contracts with utility companies and corporate customers, bglobal has an order pipeline in excess of, in aggregate, 140,000 meters.

Since the release of the BERR consultation, the Group has been working closely with these utility companies on the proposed roll-out of meters to their customers over the next two/three years. As a result, bglobal now has significantly greater visibility on its anticipated installation rates over the next twelve months than it has had during the last year largely as a result of the uncertainties resulting from the delays in the BERR consultation process.

In addition to having a strong pipeline in place and increased visibility of the anticipated roll-out of meter installations, the Company has been working to ensure that it retains its position at the forefront of the smart meter market by launching two new divisions, signing a global partnership deal and continuing to develop a residential meter with EDMI.

Residential meter

Development and testing of our residential meter has gone well and we expect to move from a prototype to a fully MID approved meter by the second quarter this financial year. We are in advanced discussions to trial this meter for embedded generation for CHP boilers that will utilise the import/export capabilities of the meter. This will help suppliers understand the implications of Net Metering. Also our meter is capable of being used both as a pre-payment meter and a credit meter. We will be running trials for prepayment with one supplier to prove that we can reduce the cost of pre-payment which will help the fuel poor.

Energy Services division

As a result of the demand experienced from corporate customers with a number of smaller sites, following the year end we launched a new division, bglobal Energy Services ("BES"). BES will provide customers with additional services to smart metering, including bill validation, energy management services and consultancy. The first customer for this is tyre service supplier ATS Euromaster, who BES has assisted with electricity supply procurement, as well as smart metering installation.

Smart Solutions division

The bglobal Smart Solutions division was launched in April and provides multi-utility metering (gas, water, oil, temp etc). There is significant demand for multi-utility and sub metering from larger corporates to meet the requirements of the Energy Performance of Buildings Directive. Early wins include Canary Wharf, Greater Manchester Police, Spirit Group, Internacionale and DEFRA.

Global partnership deal

bglobal has recently agreed a global partnership with Oracle, Logica and Utilisoft to meet demand for residential roll out when the Government announces its intentions (BERR Consultation) in December. This partnership will also roll out our Smart Grid offering throughout the world with early interest in Australia and Ireland.

Outlook and current trading

With the release of the BERR letter, an impressive pipeline in place, and encouraging macro drivers underpinning our business model, the foundations are in place for significant growth in the coming years.

Peter Kennedy

Chief Executive

4 August 2008

Financial Review

Group results

Group revenue increased to £4.50 million for the year ended 31 March 2008 (2007: £2.81 million) as the Group established its presence in the market for the provision of smart metering services. The loss before taxation for the year was £3.47 million (2007: £2.38 million).

Cash and borrowings

As at 31 March 2008, the Group had cash balances of £0.77 million and financial liabilities of £0.1 million.

On 25 April 2007, the Company was admitted to the AIM market. As part of this admission process, the Company raised an amount of £6.9 million (net of expenses). The Cashflow Statement shows the movements in funds during the year.

Overheads

The Group has continued to make investment in its resources during the year in order that it can meet the anticipated demand for its services.

Business risks

Risk management is an important element of the management process throughout the Group, and internal controls have been developed to address the main business risks which are considered to be:

Strategic

The Group operates in a new market and seeks to ensure that it delivers effective solutions to its existing and potential clients.

Operational

The Group's most important assets are its employees, clients and Intellectual Property Rights ("IPR"):

- Employees are recruited carefully to address the needs of the business. Appropriate training is provided to support the development of employees.
- The needs of the Group's clients are addressed to ensure that they are appropriate.
- The Group has controls in place to safeguard the IPR that it owns. The Group also has established procedures to maintain its appropriate accreditations. The Group also recognises the importance of its IT infrastructure and back office systems to deliver its services. The Group has the appropriate controls in place to secure its data and maximise the operational efficiency of its systems.

Controls exist to ensure information is made available to enable management to monitor the performance of the Group.

These address the performance of the Group based on monthly management accounts which include details of sales, gross margin and costs. Other key statistics reported regularly include the number of installations, sales prospects and operational performance in supplying data.

Treasury policies and financial risk

The Group currently does not have any significant borrowings other than the outstanding Small Firms Loan that existed at 31 March 2008, and a facility for stock and debtor finance that the Group will use as and when appropriate to supplement its working capital needs. The Group maintains a centralised treasury function, which operates under policies and guidelines approved by the Board. These cover funding, management of foreign exchange exposure and interest rate risk. The purpose is to manage the financial risks of the business effectively and to secure the most cost effective funding. The Group does not generally enter into derivative transactions (such as interest rate swaps and forward foreign currency contracts), and it is, and has been throughout the period under review, the Group's policy that no trading in financial instruments shall be undertaken.

John D Atkin

Finance Director

4 August 2008

Directors' Report

The directors submit their report and financial statements of bglobal plc for the year ended 31 March 2008.

Principal activities

The principal activity of the Group during the year was the provision of advanced metering technology and services to deregulated global energy markets. The principal activity of the Company was that of a holding company.

Review of the business

The Group's results are set out in the Consolidated Income Statement on page 8 and are explained within the Financial Review on page 3. A full review of the Group's activities and future developments are incorporated into the Chairman's and Chief Executive's statements. On 25 April 2007, the Company was admitted to the AIM market and a placing of 15,500,000 shares raised £6.9 million as shown in note 21.

Results and dividends

The trading results for the period and the Group's financial position at the end of the period are shown in the attached financial statements. The directors do not recommend a final dividend.

Directors

The directors of the Company are as follows:

P B Kennedy
J H Newman
J D Atkin
M H Evans
A D Stiff

At 31 March 2008, the directors had the following beneficial interests in the Company's shares:

	Class of share	At 31 March 2008 No	At 31 March 2007 No
P B Kennedy	Ordinary shares of 1p each	21,200,000	21,200,000
J H Newman	Ordinary shares of 1p each	50,000	–
J D Atkin	Ordinary shares of 1p each	800,000	800,000
M H Evans	Ordinary shares of 1p each	7,600,000	7,600,000
A D Stiff	Ordinary shares of 1p each	9,560,000	9,560,000

Directors' share option

At 31 March 2008, the following director held options over the shares of the Company.

	At 31 March 2007	Granted in year	At 31 March 2008	Date exercisable	Expiry date
J H Newman	–	76,000	76,000	19 April 2010	18 April 2017

Substantial Shareholdings

As at 14th July 2008, other than the directors there were the following substantial shareholdings:-

	Class of share	At 31 March 2008 No
Rock (Nominees) Limited	Ordinary shares of 1p each	3,022,074
The Bank of New York (Nominees) Limited	Ordinary shares of 1p each	1,900,000

Share capital

On 24 April 2007, the convertible loans held on 31 March 2007, were converted into 4,533,111 ordinary shares of 1p each.

On 25 April 2007, following admission to the Alternative Investments Market of the London Stock Exchange, 15,500,000 ordinary shares of 1p each were issued at a price of 50p per ordinary share. The total number of issued shares at 31 March 2008 was 60,831,111.

Supplier payment policy

It is Group policy to agree and clearly communicate the terms of payment as part of the commercial arrangements negotiated with suppliers and then to pay according to those terms based upon the timely receipt of an accurate invoice. At 31 March 2008, average creditor days were 32 days (2007: 98 days).

Employee involvement

The Group recognises and seeks to encourage the involvement of its employees, with the aim being the recruitment, motivation and retention of quality employees throughout the Group. An approved share option scheme is in place operated within the Enterprise Management Incentive Scheme, as well as an unapproved option scheme.

The Group's employment policies, including the commitment to equal opportunity, are designed to attract, retain and motivate employees regardless of sex, race, religion or disability. Equality of treatment includes full and fair assessment of applications and extends to training and continuing career development.

The Group is committed to ensuring and communicating the requirements for a safe and healthy working environment for all employees, consistent with health and safety legislation and, wherever practicable, gives full consideration to applications for employment from disabled persons.

Charitable and political contributions

The Group made charitable donations of £150 in the period to 31 March 2008 (2007: £240). No political donations were made in either period. The Group sponsored an event for Breakthrough Breast Cancer to the value of £10,000 in the period to 31 March 2008.

Statement as to disclosure of information to auditors

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors has confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Directors' responsibilities in the preparation of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

UK Company law requires the directors to prepare Group and Company Financial Statements for each financial year. Under that law the directors are required to prepare Group financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU and have elected to prepare the Company financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU.

The Group financial statements are required by law and IFRS adopted by the EU to present fairly the financial position and performance of the Group; the Companies Act 1985 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

The Company financial statements are required by law to give a true and fair view of the state of affairs of the Company.

In preparing each of the Group and Company financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. state whether they have been prepared in accordance with IFRSs adopted by the EU;
- d. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

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

The directors are also responsible for the maintenance and integrity of the bglobal plc website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Annual General Meeting

The notice convening the Annual General Meeting to be held at 12 pm on 24 September 2008 at Arkwright House, Arkwright Court, Commercial Road, Darwen, BB3 0PG can be found on the Company's website.

Auditors

A resolution to reappoint Baker Tilly UK Audit LLP as auditors will be proposed at the Annual General Meeting.

By order of the Board

N J Makinson
Secretary

4 August 2008

Corporate Governance

Board structure

The Board is responsible to shareholders for the proper management of the Group. A statement of directors' responsibilities in respect of the accounts is set out on page 5.

The non-executive directors have a particular responsibility to ensure that the strategies proposed by the executive directors are fully considered. The Chairman is considered by the Board to be independent of management and free of any relationship which could materially interfere with the exercise of his independent judgement. All non-executive directors receive a fixed fee for their services.

To enable the Board to discharge its duties, all directors have full and timely access to all relevant information and there is a procedure for all directors, in furtherance of their duties, to take independent professional advice, if necessary, at the expense of the Group. The Board is responsible for overall Group strategy, approval of major capital expenditure projects and consideration of significant financing matters.

The following Committees, which have written terms of reference adopted on 18 April 2007, deal with specific aspects of the Group's affairs:

Remuneration Committee

The Remuneration Committee is responsible for making recommendations to the Board on the Group and Company's framework of executive remuneration and its cost. The Committee determines the contract terms, remuneration and other benefits for each of the executive directors, including performance-related bonus schemes, pension rights and compensation payments. The board itself determines the remuneration of the non-executive directors. The Committee comprises of two non-executive directors (James Newman and Martin Evans) and John Atkin. It is chaired by James Newman.

Audit Committee

The Audit Committee comprises of two non-executive directors (James Newman and Martin Evans), and is chaired by James Newman.

Its prime tasks are to review the scope of external audit, to receive regular reports from Baker Tilly UK Audit LLP, and to review the half yearly and annual accounts before they are presented to the Board, focusing in particular on accounting policies and areas of management judgement and estimation.

The Committee is responsible for monitoring the controls which are in force to ensure the integrity of the information reported to shareholders.

The Committee acts as a forum for discussion of internal control issues and contributes to the Board's review of the effectiveness of the Group's internal control and risk management systems and processes. It advises the Board on the appointment of external auditors and on their remuneration for both audit and non-audit work, and discusses the nature and scope of the audit with the external auditors. It reviews and monitors the independence of the auditors, especially with regard to non-audit work.

The Audit Committee met to consider the reports of the auditors prior to the submission of the annual financial statements to the Board.

AIM Compliance Committee

The AIM compliance Committee comprises the two non-executive directors (James Newman and Martin Evans) and John Atkin. It is chaired by James Newman.

The Committee's brief is to ensure that the Group and Company complies with its obligations under the AIM Rules of London Stock Exchange plc.

Internal control

The directors are responsible for the Group's system of internal control and reviewing its effectiveness. The Board has designed the Group's system of internal control in order to provide the directors with reasonable assurance that its assets are safeguarded, that

transactions are authorised and properly recorded and that material errors and irregularities are either prevented or would be detected within a timely period.

However, no system of internal control can eliminate the risk of failure to achieve business objectives or provide absolute assurance against material misstatement or loss.

The key elements of the control system in operation are:

- the Board meets regularly with a formal schedule of matters for decision and has put in place an organisational structure with clear lines of responsibility defined and with appropriate delegation of authority; and
- there are procedures for planning, approval and monitoring of capital expenditure and information systems for monitoring the Group's financial performance against approved budgets and forecasts.

The Audit Committee receive reports from the external auditors on a regular basis and from executive directors of the Group. The Board receive periodic reports from all Committees.

There are no significant issues disclosed in the report and financial statements for the year ended 31 March 2008 and up to the date of approval of the report and financial statements that have required the Board to deal with any related material internal control issues.

The Board has considered whether the Group's internal controls processes would be significantly enhanced by an internal audit function and has taken the view that, at the Group's current stage of development, this is not a necessity. The Board will continue to review this matter.

Relations with shareholders

The Group values its dialogue with both institutional and private investors. Effective two-way communication with the investment community is actively pursued and this encompasses issues such as performance, policy and strategy. The directors have had meetings with actual and potential investors and they will continue to do so on a regular basis.

There is also an opportunity, at the Company's annual general meeting, for individual shareholders to raise general business matters with the full Board, and notice of the Company's annual general meeting is circulated to all shareholders before such meeting.

Going concern

These accounts are prepared on a going concern basis, which assumes the Group will continue in operational existence for the foreseeable future. The Group's ability to meet its future funding and working capital requirements and therefore continue as a going concern is dependent upon being able to generate significant revenues and free cash flow. The directors have prepared projected cashflow information for the period ending 12 months from the date of approval of these financial statements.

On the basis of these projections, the directors have identified that in order to meet the liabilities as they fall due, additional funding from shareholders is required and the directors have had confirmation of formal placing agreements to raise an additional amount of £2.5m (net of expenses). There is an Extraordinary General Meeting planned to take place on 27 August 2008 at which the issuance of shares is to be approved by the members. Following this, and assuming that approval is given, it is proposed that the shares will be admitted to the AIM market of the London Stock Exchange. The directors consider that sufficient funds will be secured from the placing in order that the Group is able to meet its liabilities as they fall due and the operations of the Group will achieve the forecasted sales and results and therefore the financial statements have been prepared on the going concern basis. The directors confirm that they are satisfied that the Company and Group have adequate resources to continue in business for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Independent auditors' report to the Members of bglobal plc

We have audited the Consolidated and Parent Company financial statements which comprise the Consolidated Income Statement, the Consolidated and Parent Company Balance Sheets, the Consolidated and Parent Company Cash Flow Statements, the Consolidated and Parent Company Statements of Change in Equity, and the related notes.

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

Respective responsibilities of Directors and Auditors

The Directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union ("EU") are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. The information given in the Directors' Report includes that specific information presented in the Chairman's Statement, the Chief Executive's Review and the Financial Review that is cross referenced from the Business Review section of the Directors' Report.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. The other information comprises only the Directors' Report, the Chairman's Statement, the Chief Executive's Review, the Financial Review and the Corporate Governance Statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

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

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

Opinion

In our opinion:

- the Group financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, as applied in accordance with the provisions of the Companies Act 1985, of the state of the Group's affairs as at 31 March 2008 and of its loss for the year then ended;
- the Parent Company financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union as applied in accordance with the provisions of the Companies Act 1985, of the state of the Parent Company's affairs as at 31 March 2008;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

BAKER TILLY UK AUDIT LLP

Registered Auditor
Chartered Accountants
Brazenose House
Lincoln Square
Manchester
M2 5BL

4 August 2008

Consolidated Income Statement

for the year ended 31 March 2008

	Notes	2008 £	2007 £
Revenue	1	4,498,752	2,810,382
Cost of sales		(3,117,778)	(2,125,804)
Gross profit		1,380,974	684,578
Administrative expenses		(4,882,617)	(2,962,936)
Loss from operations	2	(3,501,643)	(2,278,358)
Finance costs	5	(59,611)	(102,679)
Finance income	6	88,126	–
Loss before taxation		(3,473,128)	(2,381,037)
Taxation	7	885,097	706,272
Loss for the period		(2,588,031)	(1,674,765)
Loss attributable to:			
Equity holders of parent		(2,588,031)	(1,674,765)
Minority interest		–	–
		(2,588,031)	(1,674,765)
Basic loss per share – pence	8	(4.35p)	(4.18p)
Fully diluted loss per share – pence	8	(4.35p)	(4.18p)

The loss from operations arises from the Group's continuing operations.

There was no recognised income or expenditure other than the loss for the year. Accordingly no statement of Recognised Income and Expenditure has been prepared.

Consolidated Balance Sheet

As at 31 March 2008

	Notes	2008 £	2007 £
Assets			
Non-current assets			
Property, plant & equipment	9	298,298	145,169
Intangible assets	10	837,176	927,532
Deferred tax assets	17	2,005,014	1,119,917
		3,140,488	2,192,618
Current assets			
Inventories	12	1,679,863	909,317
Trade and other receivables	13	1,628,605	637,696
Cash and cash equivalents	14	773,917	315,834
		4,082,385	1,862,847
Total assets		7,222,873	4,055,465
Equity and liabilities			
Equity			
Share capital	21	608,311	407,980
Share premium		8,193,072	–
Share based compensation		43,423	–
Merger reserve		792,128	792,128
Retained earnings		(5,027,968)	(2,439,937)
Minority interest		–	–
Total equity		4,608,966	(1,239,829)
Non-current liabilities			
Financial liabilities	16	–	100,000
Current liabilities			
Trade and other payables	15	2,513,907	1,991,481
Financial liabilities	16	100,000	3,203,813
		2,613,907	5,195,294
Total liabilities		2,613,907	5,295,294
Total liabilities and equity		7,222,873	4,055,465

These financial statements were approved by the Board of directors and authorised for issue on 4 August 2008 and are signed on their behalf by:

P B Kennedy
(Chief Executive)

J D Atkin
(Finance Director)

Company Balance Sheet

As at 31 March 2008

	Notes	2008 £	2007 £
Assets			
Non-current assets			
Financial asset investments	11	10,236,752	10,199,500
Current assets			
Trade and other receivables	13	7,916,376	71,909
Cash and cash equivalents	14	601,774	–
		8,518,150	71,909
Total assets		18,754,902	10,271,409
Equity and liabilities			
Equity			
Share capital	21	608,311	407,980
Share premium		8,193,072	–
Share based compensation		43,423	–
Merger reserve		9,791,520	9,791,520
Retained earnings		59,451	–
Total equity		18,695,777	10,199,500
Current liabilities			
Trade and other payables	15	59,125	71,909
Total liabilities		59,125	71,909
Total liabilities and equity		18,754,902	10,271,409

These financial statements were approved by the Board of directors and authorised for issue on 4 August 2008 and are signed on their behalf by:

P B Kennedy
(Chief Executive)

J D Atkin
(Finance Director)

Statement of Changes in Equity

for the year ended 31 March 2008

Group	Share Capital £	Share Premium Account £	Share Based Compensation £	Merger Reserve £	Retained Earnings £	Total £
At 1 April 2006	400,000	–	–	800,100	(965,172)	234,928
Exercise of share options at par	7,980	–	–	(7,972)	–	8
Share based compensation	–	–	–	–	200,000	200,000
Loss for the period	–	–	–	–	(1,674,765)	(1,674,765)
At 31 March 2007	407,980	–	–	792,128	(2,439,937)	(1,239,829)
Issue of shares (net of issue costs)	200,331	8,193,072	–	–	–	8,393,403
Share based compensation	–	–	43,423	–	–	43,423
Loss for the period	–	–	–	–	(2,588,031)	(2,588,031)
At 31 March 2008	608,311	8,193,072	43,423	792,128	(5,027,968)	4,608,966

Parent Company	Share Capital £	Share Premium Account £	Share Based Compensation £	Merger Reserve £	Retained Earnings £	Total £
Issued subscriber shares	1	–	–	–	–	1
Shares issued to former shareholders of B Global Metering Limited	407,979	–	–	9,791,520	–	10,199,499
Loss for the period	–	–	–	–	–	–
At 1 April 2007	407,980	–	–	9,791,520	–	10,199,500
Issue of shares (net of issue costs)	200,331	8,193,072	–	–	–	8,393,403
Share based compensation	–	–	43,423	–	–	43,423
Profit for the period	–	–	–	–	59,451	59,451
At 31 March 2008	608,311	8,193,072	43,423	9,791,520	59,451	18,695,777

Consolidated Cash Flow Statement

for the year ended 31 March 2008

	2008 £	2007 £
Cash flow from operating activities		
Loss before taxation	(3,473,128)	(2,381,037)
Share based compensation	43,423	200,000
Finance costs	59,611	102,679
Finance income	(88,126)	–
Depreciation	79,152	32,065
Amortisation	333,595	290,877
Increase in inventories	(770,546)	(881,702)
Increase in trade and other receivables	(990,909)	(472,737)
Increase in trade and other payables	522,426	1,765,598
Finance costs	(59,611)	(102,679)
Finance income	88,126	–
Net cash used in operations	(4,255,987)	(1,446,936)
Investing activities		
Payments to acquire property, plant and equipment	(232,281)	(104,106)
Payments to acquire intangible assets	(243,239)	(300,331)
Net cash used in investing activities	(475,520)	(404,437)
Financing activities		
Proceeds on issue of ordinary shares	6,893,403	8
Net movement on short term borrowings	(1,703,813)	2,031,495
Net cash generated from financing	5,189,590	2,031,503
Net increase in cash and cash equivalents	458,083	180,130
Cash and cash equivalents at the beginning of the financial year	315,834	135,704
Cash and cash equivalents at the end of the financial year	773,917	315,834

Company Cash Flow Statement

for the year ended 31 March 2008

	2008 £	2007 £
Cash flow from operating activities		
Profit before taxation	59,451	–
Share based compensation	6,171	–
Finance costs	(27)	–
Finance income	81,475	–
Decrease/(increase) in trade and other receivables	6,696	(71,909)
(Decrease)/increase in trade and other payables	(12,784)	71,909
Finance costs	27	–
Finance income	(81,475)	–
Net cash generated from operations	59,534	–
Financing activities		
Proceeds on issue of ordinary shares	6,893,403	–
Movement in group borrowings	(6,351,163)	–
Net cash generated from financing	542,240	–
Net increase in cash and cash equivalents	601,774	–
Cash and cash equivalents at the beginning of the financial year	–	–
Cash and cash equivalents at the end of the financial year	601,774	–

Accounting Policies

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs"), including International Financial Reporting Interpretations Committee (IFRIC) interpretations as adopted for use in the European Union (EU) and in accordance with those parts of the Companies Act 1985 applicable to companies reporting under IFRSs.

bglobal plc is incorporated and domiciled in the United Kingdom. The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

Going concern

These accounts are prepared on a going concern basis, which assumes the Group will continue in operational existence for the foreseeable future. The Group's ability to meet its future funding and working capital requirements and therefore continue as a going concern is dependent upon being able to generate significant revenues and free cash flow. The directors have prepared projected cashflow information for the period ending 12 months from the date of approval of these financial statements.

On the basis of these projections the directors have identified that in order to meet the liabilities as they fall due, additional funding from shareholders is required and the directors have had confirmation of formal placing agreements to raise an additional amount of £2.5m (net of expenses). There is an Extraordinary General Meeting planned to take place on 27 August 2008 at which the issuance of shares is to be approved by the members. Following this, and assuming that such approval is given, it is proposed that the shares will be admitted to the AIM market of the London Stock Exchange. The directors consider that sufficient funds will be secured from the placing in order that the Group is able to meet its liabilities as they fall due and the operations of the Group will achieve the forecasted sales and results and therefore the financial statements have been prepared on the going concern basis.

The directors confirm that they are satisfied that the Company and Group have adequate resources to continue in business for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. The results of subsidiaries acquired or disposed of during the year are included in the Consolidated Income Statement from the date of their acquisition or their date of disposal.

The purchase method of accounting is used for the acquisition of subsidiaries. The cost of acquisition is measured at the aggregate fair values of assets given, equity instruments issued and liabilities incurred or assumed by the Group to obtain control and any directly attributable acquisition costs.

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Losses applicable to minority interests which exceed the minority interest equity, are allocated against the parent company interest, except to the extent that the minority has a binding obligation and is able to make an additional investment to cover those losses.

bglobal plc acquired B Global Metering Limited through a transaction involving entities under common control, as defined in IFRS3 Business Combinations. It is noted that such transactions are outside the scope of IFRS3 and there is no other guidance elsewhere in IFRS covering such transactions.

IFRS contain specific guidance to be followed where a transaction falls outside the scope of IFRS. This guidance is included at paragraphs 10-12 of IAS8 Accounting policies, changes in accounting estimates

and errors. This requires, inter alia that where IFRS does not include guidance for a particular issue, the directors may also consider the most recent pronouncements of other standard setting bodies that use a similar conceptual framework to develop accounting standards.

In this regard, it is noted that the UK Accounting Standards Board has, in issue, an accounting standard covering business combinations (FRS6). This standard uses the principles of merger accounting.

The Company Income Statement has not been disclosed in accordance with section 230 of the Companies Act 1985. The profit for the period of the parent company amounted to £59,451.

Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and other sales related taxes.

For meters supplied under a lease purchase agreement, the asset value and installation cost is invoiced and revenue recognised either upon receipt of a signed completion certificate from the customer, or upon installation following remote programming of the meter, depending upon the terms of the agreement with the customer.

For meters supplied under a rental agreement, the asset and installation cost is invoiced and revenue is recognised once the customer has signed off that the meter has been installed and the necessary data flows have been received to evidence that. Rentals are invoiced and revenue is recognised in line with the terms of the rental agreement.

For meters supplied under a direct purchase arrangement, revenue is recognised as per the individual agreements. The meter cost and installation is invoiced and revenue is recognised upon physical installation of the meter asset.

For meters supplied to customers where up front payments are taken, no revenue is recognised until the physical asset has been shipped to agents for installation. No installations are undertaken by the Group on these contracts and as such only the meter asset value is invoiced and subsequently recognised.

Data Collection and Data Aggregation ("DCDA") service charges are invoiced and revenue is recognised on a straight-line basis over the term of the agreement. The DCDA agreements are for five years however no income is recognised in respect of future periods.

Segmental reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments.

Intangible assets

Intangible assets such as software and accreditation costs are stated at cost, net of any amortisation and any provision for impairment. Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Software:	over 5 years on a straight line basis
Accreditation	over 5 years on a straight line basis

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss. Cost comprises purchase price and other directly attributable costs. Depreciation is charged so as to write off the cost or valuation of assets to their residual values over their estimated useful lives, using the straight-line method, on the following bases:

Leasehold improvements	over the term of the lease
Plant and machinery	5 years
Fixtures and fittings	5 years

Accounting Policies continued

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Impairment

At each balance sheet date, the Group reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

Investments

Investments are initially recorded at cost, being the fair value of the consideration given and including acquisition charges associated with the investment. Subsequently they are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. The cost of inventories is based upon a first-in-first-out principle, and includes expenditure incurred in acquiring the inventories and bringing them to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Financial instruments

Financial assets and financial liabilities are recognised on the balance sheet when the Group has become a party to the contractual provisions of the instrument.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Trade payables

Trade payables are initially recognised at fair value and subsequently at amortised cost using the effective interest method.

Financial liability

Financial liabilities are classified according to the substance of the contractual arrangements entered into. An instrument will be classified as a financial liability when there is a contractual obligation to deliver cash or another financial asset to another enterprise.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of any outstanding bank overdraft where a right of set off exists.

Borrowings

Interest-bearing bank loans and overdrafts are initially recorded at fair value, which represents the fair value of the consideration received, net of any issue costs associated with other borrowings. Borrowings are subsequently stated at amortised cost.

Finance charges, including premiums payable on settlement or redemption, are accounted for on an accrual basis and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Derecognition of financial instruments

The derecognition of financial instruments takes place when the Group no longer controls the contractual rights that comprise the financial instrument, which is normally the case when the instrument is sold, or all of the cash flows attributable to the instrument are passed through to an independent third party.

Convertible loan notes

Convertible loan notes are regarded as compound instruments, consisting of a liability component and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debt. The difference between the proceeds of issue of the convertible loan notes and the fair value assigned to the liability component, representing the embedded option to convert the liability into equity of the Group, is included in equity.

Issue costs are apportioned between the liability and equity components of the convertible loan notes based on their relative carrying amounts at the date of issue. The portion relating to the equity component is charged directly against equity.

The interest expense on the liability component is calculated by applying the prevailing market interest rate for similar non-convertible debt to the instrument. The difference between this amount and the interest paid is added to the carrying value of the convertible loan note.

Leasing commitments

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased item or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease.

Accounting Policies continued

Government grants

Grants that compensate the Group for the cost of an asset are initially deducted from the cost of that asset and then recognised in the income statement on a systematic basis over the useful life of the asset.

Foreign currencies

Transactions expressed in foreign currencies are translated into sterling and recorded at rates of exchange approximating to those ruling at the date of the transaction. Monetary assets and liabilities are translated at rates ruling at the balance sheet date. All differences are taken to the income statement.

Taxation

Current tax is the expected corporation tax payable or receivable in respect of the taxable profit/loss for the financial year using tax rates enacted or substantively enacted at the balance sheet date, less any adjustments to tax payable or receivable in respect of previous periods.

Deferred tax is recognised in respect of all temporary differences between the carrying amounts of assets and liabilities included in the financial statements and the amounts used for tax purposes that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

No provision is made relating to the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than those acquired as part of a business combination.

Provision is made for deferred tax that would arise on all taxable temporary differences associated with investments in subsidiaries and interests in joint ventures, except where the Group can control the reversal of the temporary differences.

Deferred tax assets are recognised only to the extent that the directors consider that it is probable that there will be suitable taxable profits from which the future reversal of the underlying temporary differences and unused tax losses and credits can be deducted.

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

Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event which it is probable will result in an outflow of economic benefits that can be reliably estimated.

Retirement benefit plans

Obligations for contributions to defined contribution retirement benefit plans are charged as an expense as they fall due.

Share-based payment transactions

The Group has applied the requirements of IFRS 2 Share-based payment transactions.

The Group issues equity-settled share-based payment transactions to certain employees. Equity-settled share-based payment transactions are measured at fair value at the date of grant. The fair value determined at the grant date of equity-settled share-based payment transactions is expensed on a straight line basis over the vesting period, based on the Group's estimate of share options that will eventually vest and a corresponding amount credited to share-based payment reserve.

Fair value is measured by use of the Black-Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effect of non-transferability, exercise restrictions and behavioural considerations.

Interpretations and standards which became effective during the year

The following accounting standards and interpretations became effective during the period:

IFRS 7	Financial Instruments: Disclosures
IAS 1	Presentation of financial statements: Amendments with respect to capital disclosures
IFRIC 10	Interim financial reporting and impairment
IFRIC 11	IFRS 2 Group and treasury share transactions

The Group has adopted the disclosures of IFRS 7 and IAS 1 amended accordingly. The accounting policy amendment affects disclosures only and has no material impact on the current or preceding periods' financial position and performance.

IFRIC 11: IFRS 2 Group and treasury share transactions and IFRIC 10: Interim financial reporting and impairment, also became effective during the period. The group's accounting policies in the preceding accounting period were consistent with guidance issued in the IFRIC, therefore implementation has had no effect upon the current or preceding financial period.

The Company has adopted IFRS 8: Operating Segments early. However, as described in the notes to the accounts this standard has had no impact upon the financial period due to the Segments being below the reportable thresholds.

Interpretations and standards which have been issued and are not yet effective

At the date of the authorisation of the financial information, the following standards and interpretations, which have not been applied in the financial information, were in issue but not yet effective:

IAS 1	Presentation of financial statements
IFRIC 12	Service concession arrangements
IFRIC 13	Customer loyalty programmes
IFRIC 14	IAS19 - The limit on a Defined Benefit Asset, minimum funding requirement and their interaction
IAS 23	Amendment - Borrowing Costs
IAS 27	Amendment - Consolidated and Separate Financial Statements
IAS 32	Amendment - Financial instruments: Presentation
IFRS 3	Amendment - Business Combinations
IFRS 2	Amendment - Share-based payment

The directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial information when the relevant standards and interpretations come into effect.

Critical accounting estimates and judgements

The preparation of the financial information in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and the 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 which form the basis of making the judgements about carrying values of assets and liabilities that are both 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. These assumptions include but are not limited to the following areas:-

Deferred Tax

Deferred tax assets are recognised only to the extent that the directors consider that it is probable that there will be suitable taxable profits from which the future reversal of the underlying temporary differences and unused tax losses and credits can be deducted.

Notes to the Financial Statements

for the year ended 31 March 2008

1 Segmental information

At this stage of the Group's development, the directors are of the opinion that there is only one business segment within the activities of the Group. All operations are carried out within the United Kingdom.

2 Loss from operations

Loss from operations is stated after charging/(crediting):

	2008 £	2007 £
Amortisation	333,595	290,877
Depreciation of owned fixed assets	79,152	32,065
Auditor's remuneration – as auditor	34,950	26,750
Operating lease costs:		
Land and buildings	146,322	–
Other	150,771	134,456
Exchange rate gains	(138,048)	(23,991)

Amounts payable to Baker Tilly UK Audit LLP and their associates in respect of both audit and non-audit services:

	2008 £	%	2007 £	%
Audit Services				
– Statutory audit	17,450	26.7	13,500	6.0
Other Services				
The auditing of accounts of associates of the Company pursuant to legislation.				
– Audit of subsidiaries where such services are provided by Baker Tilly and their associates	17,500	26.8	13,250	5.9
	34,950		26,750	
– Interim review	8,250	12.6	–	
– Company secretarial	–	–	2,000	0.9
Tax Services				
– Compliance services	5,500	8.4	4,000	1.8
– Advisory services	4,085	6.3	40,750	18.3
Services relating to corporate finance transactions entered into or proposed to be entered into by or on behalf of the Company or any of its associates.	12,500	19.2	150,000	67.1
	65,285	100.0	223,500	100.0

3 Particulars of employees

The average number of staff employed by the Group, including executive directors, during the financial period amounted to:

	2008 No	2007 No
Administration	83	35
Management	5	5
	88	40

The aggregate payroll costs, including directors' emoluments, of the above were:

	2008 £	2007 £
Wages and salaries	2,525,605	1,722,543
Social security costs	244,271	179,399
Share based compensation	43,423	200,000
Other pension costs	51,741	20,558
	2,865,040	2,122,500

Notes to the Financial Statements continued

for the year ended 31 March 2008

4 Directors' emoluments

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

	2008 £	2007 £
Emoluments receivable	488,376	214,549
Fees	106,833	44,500
Pension contributions	18,271	2,887

Emoluments of highest paid director:

	2008 £	2007 £
Total emoluments (excluding pension contributions)	150,000	82,500
Pension contributions	7,500	–
	157,500	82,500

5 Finance costs

	2008 £	2007 £
Bank loans and overdrafts	5,126	11,811
Finance charges	54,485	90,868
	59,611	102,679

6 Finance income

	2008 £	2007 £
Interest receivable	88,126	–

7 Taxation on ordinary activities

	2008 £	2007 £
Current tax:		
Corporation tax at 30% (2007: 30%)	–	–
Total current tax	–	–
Deferred tax:		
Origination and reversal of temporary differences	(956,645)	(682,876)
Adjustments in respect of prior periods	(3,335)	(23,396)
Effect of tax rate change	74,883	–
	(885,097)	(706,272)
Income tax credit	(885,097)	(706,272)

The charge for the period can be reconciled to the loss per the Income Statement as follows:

	2008 £	2007 £
Loss for the period	(2,588,031)	(1,674,765)
Total income tax credit	(885,097)	(706,272)
Loss on ordinary activities before tax	(3,473,128)	(2,381,037)
Tax at the UK corporation tax rate of 30% (2007: 30%)	(1,053,113)	(714,311)
Expenses not deductible for tax purposes	41,163	2,290
Capital allowances in excess of depreciation	(34,135)	5,749
Effect of change in tax rate	149,564	–
Unrelieved tax losses and other deductions arising in the period	11,424	–
Total tax credit	(885,097)	(706,272)

Notes to the Financial Statements continued

for the year ended 31 March 2008

8 Loss per share

The calculation of basic loss per ordinary share is based on losses of £2,588,031 (2007: £1,674,765) and on 59,517,454 ordinary shares (2007: 40,026,236) being the weighted average number of shares in issue during the year.

The loss for the period and the weighted average number of ordinary shares for calculating the diluted loss per share for the year ended 31 March 2008 and year ended 31 March 2007 are identical to those for the basic loss per share. This is because the outstanding share options and shares arising on conversion of the other loan would have the effect of reducing the loss per ordinary share and would therefore not be dilutive under the terms of International Accounting Standard ("IAS") No 33.

9 Property, plant & equipment

Group	Leasehold improvements £	Fixtures & fittings £	Plant and machinery £	Total £
2007				
Cost				
At 1 April 2006	–	6,515	110,074	116,589
Additions	41,038	5,585	57,483	104,106
At 31 March 2007	41,038	12,100	167,557	220,695
Depreciation				
At 1 April 2006	–	2,634	40,827	43,461
Charge for the year	1,478	2,024	28,563	32,065
At 31 March 2007	1,478	4,658	69,390	75,526
Net book value				
At 31 March 2007	39,560	7,442	98,167	145,169
2008				
Cost				
At 1 April 2007	41,038	12,100	167,557	220,695
Additions	100,037	36,403	95,841	232,281
At 31 March 2008	141,075	48,503	263,398	452,976
Depreciation				
At 1 April 2007	1,478	4,658	69,390	75,526
Charge for the year	22,136	9,118	47,898	79,152
At 31 March 2008	23,614	13,776	117,288	154,678
Net book value				
At 31 March 2008	117,461	34,727	146,110	298,298

The depreciation is recognised within administrative expenses in the income statement.

10 Intangible assets

Group	Accreditation £	Software £	Total £
2007			
At 1 April 2006	–	1,262,700	1,262,700
Additions	180,000	120,331	300,331
At 31 March 2007	180,000	1,383,031	1,563,031
Amortisation			
At 1 April 2006	–	344,622	344,622
Charge for the year	36,000	254,877	290,877
At 31 March 2007	36,000	599,499	635,499
Net book value			
At 31 March 2007	144,000	783,532	927,532

Notes to the Financial Statements continued

for the year ended 31 March 2008

10 Intangible assets continued

Group	Accreditation £	Software £	Total £
2008			
Cost			
At 1 April 2007	180,000	1,383,031	1,563,031
Additions	–	243,239	243,239
At 31 March 2008	180,000	1,626,270	1,806,270
Amortisation			
At 1 April 2007	36,000	599,499	635,499
Charge for the year	36,000	297,595	333,595
At 31 March 2008	72,000	897,094	969,094
Net book value			
At 31 March 2008	108,000	729,176	837,176

The amortisation is recognised within administrative expenses in the income statement.

11 Financial asset investments

Company:	2008 £	2007 £
Cost at 1 April	10,199,500	10,199,500
FRS 20 Adjustment	37,252	–
At 31 March	10,236,752	10,199,500

Details of subsidiaries, all wholly owned and included in the consolidated financial statements are as follows:

	Country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
B Global Metering Limited	England	Ordinary shares	100%	Provision of metering services
B Global Northern Operations Limited *	England	Ordinary shares	80%	Provision of metering services

* The shareholding in B Global Northern Operations Limited is an indirect one via a subsidiary company.

The Company has chosen a policy to hold its investment in B Global Metering Limited, at cost in accordance with IAS 27: Consolidated and Separate Financial Statements. As a consequence, the investment has been adjusted from the nominal value of the shares issued to the fair value of the shares issued in exchange for the shares acquired as a result of the business combination. A corresponding adjustment has been made to equity by recognition of a merger reserve given the criteria for relief under s131 CA85 has been met.

12 Inventories

Group	2008 £	2007 £
Finished goods for resale	1,679,863	909,317

13 Trade and other receivables

	Group 2008 £	Group 2007 £	Company 2008 £	Company 2007 £
Trade receivables	1,261,277	475,510	–	–
Other receivables	177,135	13,478	60,213	–
Amounts owed by group undertakings	–	–	7,851,163	–
Prepayments and accrued income	190,193	148,708	5,000	71,909
	1,628,605	637,696	7,916,376	71,909

The directors consider that the carrying amount of trade and other receivables approximates their fair value.

The Group's credit risk is primarily attributable to trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. The Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

Notes to the Financial Statements continued

for the year ended 31 March 2008

14 Cash and cash equivalents

Cash and cash equivalents comprise cash held by the Group. The carrying amount of the asset approximates the fair value. All balances are held in sterling.

15 Trade and other payables

	Group 2008 £	Group 2007 £	Company 2008 £	Company 2007 £
Current:				
Trade payables	1,735,978	1,033,373	46,251	–
Other payables	173,041	81,817	–	–
Other taxes	88,141	372,365	–	–
Accruals and deferred income	516,747	503,926	12,874	–
Amounts owed to group undertakings	–	–	–	71,909
	2,513,907	1,991,481	59,125	71,909

The carrying amount of trade and other payables approximates to their fair values.

16 Financial liabilities

The Group's treasury policy and management of financial instruments, which form part of these financial statements, are set out in the financial review.

	Group 2008 £	Group 2007 £	Company 2008 £	Company 2007 £
Current liabilities:				
Directors' loan accounts (note 20)	–	395,745	–	–
Bank borrowings	100,000	100,000	–	–
Other loan	–	1,500,000	–	–
Amounts due to related parties	–	1,208,068	–	–
	100,000	3,203,813	–	–
Non Current liabilities:				
Bank borrowings	–	100,000	–	–

Interest rate risk profile of financial liabilities

The interest rate profile of the financial liabilities of the Group as at 31 March 2008 is as follows:

	Non interest bearing financial liabilities £	Fixed rate financial liabilities £	Floating rate financial liabilities £	Total £
2008				
Sterling	–	–	100,000	100,000
2007				
Sterling	1,208,068	1,500,000	595,745	3,303,813

The floating rate financial liabilities relates to a term loan. The fixed rate financial liabilities were confined to other loans.

Maturity profile of floating rate financial liabilities

The following is the maturity profile of the Group's floating rate financial liabilities as at 31 March:

	2008 £	2007 £
On demand or within 1 year	100,000	495,745
Within 2 - 5 years	–	100,000
	100,000	595,745

Notes to the Financial Statements continued

for the year ended 31 March 2008

16 Financial liabilities (continued)

Maturity profile of fixed rate financial liabilities

The following is the maturity profile of the Group's fixed rate financial liabilities as at 31 March:

	2008 £	2007 £
On demand or within 1 year	–	1,500,000

Fair values of financial liabilities and financial assets

The fair values based upon the market value or discounted cash flows of financial liabilities and financial assets, held in the Group was not materially different from their book values.

Convertible Loan

The £1,500,000 convertible loan with EDMI was converted into 4,533,111 shares on 24 April 2007 at a price of 33p per share.

Finance and interest rate risk

Where appropriate, the Group manages its exposure to interest rate fluctuations on its borrowings to reduce the impact of adverse variations in the market rates on the Group's profit and cash flow.

Liquidity Risk

The Group manages its cash in a manner designed to ensure maximum benefit is gained whilst ensuring security of investment sources. The Group's policy on investment of surplus funds is to place deposits at institutions with strong credit ratings.

Currency risk

The Group has overseas liabilities and considers these on an individual basis.

Credit Risk

Credit risk with respect to trade receivables is due to the group trading with a limited number of companies who are generally large utility companies or financial institutions. Therefore the Group does not expect in the normal course of events that these debts are at significant risk.

17 Deferred taxation

The movement in the deferred taxation asset during the period was:

	2008 £	2007 £
At 1 April 2007	1,119,917	413,645
Credit to the Consolidated Income Statement	885,097	706,272
At 31 March 2008	2,005,014	1,119,917

The asset consists of recognised trading losses. The deferred tax asset has been recognised in respect of such losses on the basis that the directors consider that it is probable that there will be suitable taxable profits from which the future reversal of the underlying temporary differences and utilised tax losses and credits can be deducted.

18 Commitments under operating leases

At 31 March 2008 the Group and Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Property, plant & Equipment	
	2008 £	2007 £
Within 1 year	281,393	103,101
Between 1 and 5 years	693,418	120,223
Over 5 years	621,582	–
	1,596,393	223,324

Operating lease charge for the period amounted to £297,093 (2007: £134,456).

19 Share based payment transactions

The Company has granted equity settled share options to selected employees. The exercise price is the market value of the shares at the date of grant. The vesting period is three years. If the options remain unexercised after a period of ten years from the date of grant, the options expire.

Notes to the Financial Statements continued

for the year ended 31 March 2008

A reconciliation of option movements over the year to 31 March 2008 is shown below:

	2008		2007	
	Number of share options	Weighted average exercise price (in p)	Number of share options	Weighted average exercise price (in p)
Outstanding at beginning of period	1,202,000	25	–	–
Granted during the period:				
B Global Metering Limited	400,000	–	798,000	0.001
bglobal plc	76,000	50	1,202,000	25
Exercised in the period	–	–	(798,000)	0.001
Outstanding at the end of the period	1,678,000	26	1,202,000	25

The Group recognised the following expense in relation to share-based payment transactions:

	2008 £	2007 £
Charged to Consolidated Income Statement	43,423	200,000

The options outstanding at 31 March 2008 had a weighted average exercise price of 26.49p and a weighted average remaining contractual life of 9 years.

The fair value of options granted under the scheme is measured by use of the Black-Scholes model. The inputs into the Black-Scholes model are as follows:

	2008	2007
Share price (p)	25	25
Exercise price (p)	25	25
Expected volatility (%)	29.1	21.3
Expected life (years)	3	3
Risk-free rate (%)	4.67	5.86
Expected dividends (%)	–	–

Expected volatility was based upon the historical volatility over the expected life of the schemes. The expected life is based upon historical data and has been adjusted based on management's best estimates for the effects of non-transferability, exercise restrictions and behavioural considerations.

Options granted during the year to employees of bglobal plc were:

	19/04/2007	19/12/2007
Grant date		
Share price at grant date	50p	34p
Exercise price	50p	34p
Number of employees	1	1
Share options granted	76,000	400,000
Vesting period (years)	3	3
Expected volatility	26.9%	30.8%
Option life (years)	10	10
Expected life (years)	3	3
Risk free rate	4.67%	4.67%
Expected dividends expressed as a dividend yield	0%	0%
Fair value per option	24.36p	17.62p

20 Related party transactions

Transactions with key management are disclosed below:

In addition to their salaries the Group also provides certain non cash benefits to directors and non executive officers. Key management personnel compensation comprised:

	2008 £	2007 £
Equity settled share options	43,423	200,000

At 31 March 2008 one director participated in the Group's share option programme as noted in the Directors' Report.

Notes to the Financial Statements continued

for the year ended 31 March 2008

20 Related party transactions (continued)

A number of key management personnel hold positions in other entities that result in them having control or significant influence over the financial or operating policies of the Group.

A number of these entities transacted with the group in the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.

The aggregate value of the transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

	Note	Transaction value year ended 31 March		Balance outstanding As at 31 March	
		2008 £	2007 £	2008 £	2007 £
Formfill Holdings Limited and subsidiary companies					
– purchase of software	(i)	103,000	104,000	71,858	504,000
– software support	(ii)	140,800	140,800	30,000	218,800
– reimbursed expenses	(iii)	28,460	–	22,880	–
EnergyPro Limited	(iv)	4,019	5,355	–	46,105
EDMI – services and travel costs	(v)	93,374	65,231	26,714	65,231
– Meter purchases	(vi)	2,236,803	393,811	985,874	291,561

Note (i) – B Global Metering Limited acquired software from a subsidiary of Formfill Holdings Limited, a company of which M Evans and P Kennedy are both directors and shareholders and J Atkin is a director.

Note (ii) – B Global Metering Limited acquired software support from a subsidiary of Formfill Holdings Limited, a company of which M Evans and P Kennedy are both directors and shareholders and J Atkin is a director.

Note (iii) – bglobal plc reimbursed expenses for costs incurred to a subsidiary of Formfill Holdings Limited, a company of which M Evans and P Kennedy are both directors and shareholders and J Atkin is a director.

Note (iv) – EnergyPro Limited, a company of which A D Stiff is a director, incurred various expenses on behalf of B Global Metering Limited. The amounts outstanding are included in trade payables.

Note (v) – B Global Metering Limited purchased services and reimbursed travel costs to EDM Limited, a company which owns 4.97% of the shareholding in bglobal plc.

Note (vi) – B Global Metering Limited purchased meters from EDM Limited, a company which owns 4.97% of the shareholding in bglobal plc.

Directors' loans

As at 31 March 2008, the following amounts were owed to the following directors:

	2008 £	2007 £
P B Kennedy	–	286,900
A D Stiff	–	108,845
	–	395,745

Transactions between Group companies

Transactions between the Company and its subsidiary, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

The outstanding balance with subsidiaries as at 31 March 2008 was £7,851,163 (2007 £71,909).

EDMI Convertible Loan

The convertible loan of £1,500,000 was converted into 4,533,111 shares on 25 April 2007 at a price of 33p per share.

Notes to the Financial Statements continued

for the year ended 31 March 2008

21 Share capital

	2008 £	2007 £
Authorised: 100,000,000 Ordinary 1p shares	1,000,000	1,000,000
	No	£
Issued and fully paid:		
Balance at 31 March 2007	40,798,000	407,980
Issued shares	20,033,111	200,331
Balance at 31 March 2008	60,831,111	608,311

Ordinary shares

On 24 April 2007, the convertible loan held at 31 March 2007, totalling £1,500,000, was converted into 4,533,111 ordinary shares of 1p each, giving rise to a premium on issue of £1,454,669.

On 25 April 2007, following admission to the Alternative Investments Market of the London Stock Exchange, 15,500,000 ordinary shares of 1p each were issued for cash at a price of 50p per ordinary share, giving rise to a premium on issue of £7,595,000 before deducting expenses of the issue totalling £856,597.

The total number of issued shares at 31 March 2008 was 60,831,111.

Options

At 31 March 2008 the Company had £1,678,000 (2007: £1,202,000) unissued ordinary shares of 1p each under the Company's share option schemes, details of which are as follows:

Grant date	Number	Option Price pence	Date from which exercisable	Expiry date
26 March 2007	1,200,000	25	26 March 2010	25 March 2017
26 March 2007	2,000	25	26 March 2010	25 March 2017
19 April 2007	76,000	50	19 April 2010	18 April 2017
19 December 2007	400,000	34	19 Dec 2010	18 Dec 2017

Details of share options are disclosed in note 19 of the accounts.

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

22 Contingent liabilities

Group

At 31 March 2008, there were no contingent liabilities (2007: Nil).

Company

The Company has guaranteed the debts of its subsidiary undertakings under a cross guarantee arrangement. A Group VAT registration is operated by the Company and its Group undertakings in respect of which the Company is jointly and severally liable for all amounts due to HM Revenue and Customs under the arrangement.

Notice of Meeting

Notice is hereby given that the Annual General Meeting of bglobal plc (the "Company") will be held at Arkwright House, 2 Arkwright Court, Commercial Road, Darwen Lancashire BB3 0FG at 12.00pm on Wednesday 24 September 2008 for the following purposes:

Ordinary business

To consider and if thought fit, pass the following resolutions, as ordinary resolutions:

- Resolution 1. To receive the financial statements for the period ended 31 March 2008 together with the Reports of the Directors and Auditors thereon.
- Resolution 2. To re-elect Timothy Jackson-Smith, a Director retiring by rotation.
- Resolution 3. To re-elect Anthony Barnes, a Director retiring by rotation.
- Resolution 4. To reappoint Baker Tilly UK Audit LLP as the Company's Auditors until the conclusion of the next Annual General Meeting, and to authorise the Directors to determine the Auditors' remuneration.

Special business

To consider and if thought fit, pass the following resolution as an ordinary resolution:

- Resolution 5. THAT the BGLOBAL PUBLIC LIMITED COMPANY SHARESAVE SCHEME ("the Plan"), the principal terms of which are summarised below, a copy of the draft Rules of which has been produced to and is available for inspection at the meeting and for the purposes of identification has been signed by the Chairman be and hereby is approved and that the Directors be and are hereby authorised to make such amendments to the rules of the BGLOBAL PUBLIC LIMITED COMPANY SHARESAVE SCHEME as may be necessary in order to obtain HM Revenue and Custom's approval of the scheme and to do all such acts or things as may be necessary or desirable to implement the same.

Summary of the principal terms of the BGLOBAL PUBLIC LIMITED COMPANY SHARESAVE SCHEME

- The Plan provides HM Revenue & Customs ("HMRC") approved opportunities to acquire tax efficient share options. Gains made by employees on the exercise of their options will (subject to their being exercised within the terms of the Plan rules and while the Plan is and remains approved by HMRC be subject neither to income tax nor National Insurance Contribution liabilities, but the Company will nevertheless be entitled to claim a deduction in the computation of its corporation tax liabilities for the period in which the option(s) is (are) exercised in the amount of those gains.
- Participation in the Plan is available to all full time employees and directors, subject to a qualifying period of up to 5 years.
- Employees who accept the invitation to take part enter into a savings contract of 3 or 5 years duration under which they will save between £10 and £250 per month.
- At the time the savings contract commences participants will be granted options to acquire shares in the Company under which the exercise price will be not less than 80% of the shares' market value at the date of grant.
- At maturity of the savings contract the option may be exercised by the application of the funds therein to the acquisition of shares. Alternatively, the participant may withdraw the funds from the savings contract. So long as these events occur at least 3 years from the date of option grant there will be no income tax or NIC consequences.
- Invitations to participate in the plan may be made within 42 days of its receiving HMRC approval, and thereafter within 42 days of the announcement of the Company's annual or interim results for any period.
- The Company will be entitled to relief in its corporation tax computations both for the costs of establishing the Plan and, in the period(s) in which options are exercised, equal to the value of the participants' gains.
- The Rules provide that the number of shares over which options to acquire newly issued shares under the Plan may be granted cannot, combined with any other options to acquire newly issued shares granted by the Company over any 10 year period, exceed 10% of the Company's issued share capital.

To consider and if thought fit, pass the following resolution as a special resolution:

- Resolution 6 THAT the Articles of Association set out in the document produced to this meeting and signed by the Chairman of the meeting for the purposes of identification be and are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles of Association of the Company with effect from 1 October 2008.

Summary of the changes to the Articles of Association

The Company is seeking to amend its Articles of Association to comply with the Companies Act 2006 (the "Act") which is being brought into force in stages. Most of the changes that your board are suggesting to the Articles of Association have come into force since January 2007. However, one major change, the new directors' duty to avoid conflicts of interest and the means by which those conflicts can be authorised, is due to come into force on 1 October 2008. After discussion, the board came to the decision that this change in the law, meant that the current Articles of your company would be in conflict with the Companies Act and would need to be amended. It is therefore the intention of the board to seek members' authority to change its Articles to incorporate all of the changes introduced by the Act, at this annual general meeting, rather than have to hold another general meeting later this year. The Board is seeking for authority to amend the Articles, such amendments to be adopted on 1 October 2008. It is the board's intention that until that time, the Company would operate under the current Articles of Association.

Notice of Meeting continued

As well as some cosmetic changes the main amendment to your Company's Articles would be as follows:

Directors' duty to avoid conflicts of interest

Under the Act the board of a company is given the power to authorise conflicts of other directors provided the conflicted director does not take part in the vote or is counted as part of the quorum.

A copy of the Articles of Association with the changes clearly marked will be available for members to inspect at the Annual General Meeting.

By order of the Board

N J Makinson
Secretary

Dated: 29 August 2008

Registered Office:

Arkwright House,
2 Arkwright Court,
Commercial Road,
Darwen,
Lancashire
BB3 0FG

Notes:

1. A member who is entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and speak and, on a poll, to vote instead of him/her. A proxy need not be a member of the Company. Completion of the form of proxy will not affect the right of a member to attend and vote at the meeting. Only shareholders, proxies and authorised representatives of corporations that are shareholders are entitled to attend the meeting.
2. In the case of joint holders the signature of one holder on the form of proxy will be accepted by the vote of the senior who tenders a vote whether in person or by proxy to the exclusion of the votes of any joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of such joint holdings.
3. In the case of a corporation the form of proxy must be signed on its behalf by a duly authorised officer of the corporation.
4. A form of proxy is provided with this notice. To be effective a form of proxy together with any power of attorney or other authority under which it is executed or a copy thereof certified notarially or in accordance with the Power of Attorney Act 1971 or as the Directors shall accept must be sent to the Company Secretary, at Computershare Investor Services plc, PO Box 1075, The Pavilions, Bridgwater Road, Bristol BS99 3ZZ so as to arrive not later than 48 hours before the start of the meeting, ie 12.00pm on Monday 22 September 2008.
5. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those members registered in the register of members of the Company as at 5.00pm on Monday 22 September 2008 shall be entitled to attend and vote at this meeting in respect of the number of shares registered in their name at that time. Changes to entries in the register of members after that time shall be disregarded in determining the right of any person to attend or vote at this meeting.
6. The following documents will be available for inspection at the meeting convened by this notice:
 - a) Register of Directors' share interests
 - b) Directors' service contracts
 - c) Draft rules of the bglobal Public Limited Company Sharesave Scheme
 - d) Draft Articles of Association

Officers and Professional Advisers

Directors

J H Newman – Chairman
P B Kennedy – Chief Executive
M H Evans – Non- Executive Director
J D Atkin – Finance Director
A D Stiff – Commercial Director

Secretary

N J Makinson

Registered office

Arkwright House
Arkwright Court
Commercial Road
Darwen
Lancashire
BB3 0PG

Nominated adviser and broker

Charles Stanley Securities
25 Luke Street
London
EC2A 4AR

Solicitors

Eversheds LLP
Bridgewater Place
Water Place
Leeds
LS1 2JB

Auditors

Baker Tilly UK Audit LLP
Chartered Accountants
Brazenose House
Lincoln Square
Manchester
M2 5BL

Registrars

Computershare Investor Services PLC
The Pavilions
Bridgewater Road
Bristol
BS13 8AE

Proxy form

For use by holders of Ordinary shares of £0.01 each ("Ordinary Shares") at the Annual General Meeting to be held at Arkwright House, 2 Arkwright Court, Commercial Road, Darwen Lancashire BB3 0FG at 12.00pm on Wednesday 24 September 2008.

I/WE (BLOCK CAPITALS PLEASE) (Name): _____

of (Address): _____

being a member/members of the above named Company hereby appoint the Chairman of the Meeting or (see note 1) as my/our proxy to attend, speak and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on 24 September 2008 and at any adjournment thereof.

Resolution	For	Against	Abstain
Resolution 1 To receive the financial statements for the period ended 31 March 2008 together with the Report of the Directors and Auditors thereon.			
Resolution 2 To re-elect Timothy Jackson-Smith, a Director retiring by rotation.			
Resolution 3 To re-elect Anthony Barnes, a Director retiring by rotation.			
Resolution 4 To reappoint Baker Tilly UK Audit LLP as the Company's Auditors and to authorise the Directors to determine the Auditor's remuneration.			
Resolution 5 To approve the adoption of the bglobal Public Limited Company Sharesave Scheme.			
Resolution 6 To approve the adoption of the new Articles of Association of bglobal plc			

Signature: _____ Dated: _____ 2008

Notes:

1. If it is desired to appoint a person other than the Chairman as proxy the words "the Chairman of the Meeting or" should be deleted and the name of the proxy (who need not be a member of the Company) inserted into the appropriate space. Any alteration to the form of proxy must be initialled by the person(s) signing the form.
2. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. To appoint more than one proxy, you may photocopy this form. Please indicate on each proxy card the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy. Please also indicate if the proxy instruction is one of multiple instructions being given. All forms should be signed and returned together in the same envelope.
3. Please indicate with an "x" how you wish your proxy to vote. Unless otherwise directed the proxy will vote or abstain as he or she thinks fit.
4. In the case of joint holders the signature of one holder on the form of proxy will be accepted by the vote of the senior who tenders a vote whether in person or by proxy to the exclusion of the votes of any joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of such joint holdings.
5. In the case of a corporation the form of proxy must be executed under its common seal or signed on its behalf by a duly authorised attorney or a duly authorised officer of the corporation.
6. To be effective a form of proxy together with any power of attorney or other authority under which it is executed or a copy thereof certified notarially or in accordance with the Power of Attorney Act 1971 or as the Directors shall accept must be sent to the Company Secretary, at Computershare Investor Services plc, PO Box 1075 The Pavilions, Bridgwater Road, Bristol BS99 3ZZ so as to arrive not later than 48 hours before the start of the meeting, ie 12.00pm on Monday 22 September 2008.
7. Any alteration made to the form of proxy should be initialled.
8. Completion of the form of proxy will not affect the right of a member to attend and vote at the meeting.



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Bristol
BS99 3ZZ

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Bglobal plc

Arkwright House
Arkwright Court
Commercial Road
Darwen
Lancashire
BB3 0FG

Tel: +44 (0) 1254 819 600
Fax: +44 (0) 1254 819 603
Email: info@bglobalplc.com
Website: www.bglobalplc.com