

This document is important and requires your immediate attention. If you are in any doubt about the contents of this document you should consult a person authorised under the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities before taking any action.

This document is an AIM admission document drawn up in compliance with the AIM Rules and does not constitute a prospectus under the Prospectus Rules published by the Financial Services Authority and has not been approved by or filed with the Financial Services Authority.

To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and there is no information the omission of which is likely to affect the import of such information. The Directors of ACP Capital Limited, whose names are set out in Part 1 of this document, accept responsibility individually and collectively for the contents of this document accordingly.

Application has been made for the whole of the issued ordinary share capital of the Company immediately following the Placing to be admitted to trading on AIM, a market operated by the London Stock Exchange plc. It is expected that admission will become effective and that dealings in the issued ordinary share capital of the Company will commence on 6 January 2006. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk than that associated with larger or more established companies tends to be attached. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. The rules of AIM are less demanding than those which apply to securities admitted to trading on the Official List. A prospective investor should be aware of the risks in investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. The London Stock Exchange plc has not itself examined or approved the contents of this document. The Ordinary Shares are not dealt in on any other recognised investment exchange and no other such applications have been made.

The minimum consideration payable under the Placing by any underlying beneficial investor for the Shares is £50,000.

The whole of the text of this document should be read. You should be aware that an investment in the Company involves a high degree of risk and your attention is drawn to the risk factors set out in part 2 of this document.

ACP CAPITAL LIMITED

(a company incorporated with limited liability under the laws of Jersey under registration number 91066)

Placing of up to 50,000,000 Ordinary Shares at 100 pence per Ordinary Share and Admission to trading on AIM

Nominated Adviser and Broker
Collins Stewart Limited

20 December 2005

Collins Stewart Limited is authorised and regulated in the United Kingdom by the Financial Services Authority and is acting exclusively for the Company and no-one else in connection with the Placing and Admission. Collins Stewart Limited will not regard any other person as its customer or be responsible to any other person for providing the protection afforded to customers of Collins Stewart Limited nor for providing advice in relation to the transactions and arrangements detailed in this document. Collins Stewart Limited is not making any representation or warranty, express or implied as to the contents of this document.

Collins Stewart Limited has been appointed as nominated adviser and broker to the Company. In accordance with the AIM Rules, Collins Stewart Limited has confirmed to the London Stock Exchange that it has satisfied itself that the Directors have received satisfactory advice and guidance as to the nature of their responsibilities and obligations to ensure compliance by the Company with the AIM Rules and that, to the best of its knowledge and belief, having made due and careful enquiry, all relevant requirements of the AIM Rules have been complied with and that it is satisfied that the Company and the Shares are appropriate to be admitted to AIM. No liability whatsoever is accepted by Collins Stewart Limited for the accuracy of any information or opinions contained in this document or for the omissions of any material information, for which it is not responsible.

This document is being provided only to limited and selected persons to whom it may lawfully be provided under the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2001, including those persons who have professional experience in matters relating to investments and certain overseas recipients. No person to whom this document has not been specifically addressed may act upon it, and the interests in the Company will not be available to any other person. This document must not be copied or provided to any person other than the person to whom it is addressed.

This document does not constitute an offer to buy or to subscribe for, or the solicitation of an offer to buy or to subscribe for, Ordinary Shares in any jurisdiction in which such an offer or solicitation is unlawful and is not for distribution in or into any of the United States, Canada, Australia, Ireland, the Republic of South Africa or Japan or any other country where its distribution would require compliance by the Company with any governmental or regulatory procedure or any similar formalities (the “**Prohibited Territories**”) or their respective territories or possessions. No Ordinary Shares have been, or will be, registered under the United States Securities Act of 1933 as amended (the “1933 Act”), or under the securities legislation of any state of the United States of America or under the applicable securities laws of any of the other Prohibited Territories and may not, directly or indirectly, be offered or sold within the United States and may not be offered or sold within any of the other Prohibited Territories or to any national, resident or citizen of any of the Prohibited Territories or their respective territories or possessions. Neither this document nor any copy of it may be sent to or taken into the United States of America or any of the other Prohibited Territories, nor may it be distributed to any US Person (within the meaning of Regulation S).

The Placing is conditional, *inter alia*, on Admission taking place on or before 31 January 2006 (or such later date as the Company and Collins Stewart Limited may agree). The Placing Shares will rank in full for dividends or other distributions hereafter declared, made or paid on the ordinary share capital of the Company and will rank *pari passu* in all respects with the Existing Ordinary Shares. A copy of this document has been delivered to the Registrar of Companies in Jersey in accordance with Article 5 of the Companies (General Provisions) (Jersey) Order 2002 and he has given, and has not withdrawn, his consent to its circulation. The Jersey Financial Services Commission (the “**Commission**”) has given, and has not withdrawn, its consent under Article 4 of the Control of Borrowing (Jersey) Order, 1958 to the issue of Shares in the Company. It must be distinctly understood that, in giving these consents, neither the Registrar of Companies in Jersey nor the Commission takes any responsibility for the financial soundness of the Company or for the correctness of any statements made, or opinions expressed, with regard to it.

The Company is governed by the Collective Investment Funds (Jersey) Law 1988, as amended (the “**Funds Law**”) and the subordinate legislation made thereunder. The Company, the Corporate Administrator, and the Registrar have obtained permits under Article 5 of the Funds Law from the Commission to operate as functionaries within the Island. The Commission is protected by the Funds Law against liability arising from the discharge of its functions under the Funds Law.

Copies of this document which is dated 20 December 2005 will be available free of charge to the public during normal business hours on any day (except Saturdays, Sundays and public holidays) from the registered office of the Company and from the offices of Collins Stewart Limited at 9th Floor, 88 Wood Street, London EC2V 7QR from the date of Admission for not less than one month thereafter.

The minimum consideration payable under the Placing by any underlying beneficial investor for the Shares is £50,000.

The Company is not and will not be registered under the United States Investment Company Act of 1940, as amended. Accordingly, there may be restrictions on the number of US residents that may be beneficial owners of the Shares.

NOTICE

The attention of potential investors is drawn to the risk factors set out in Part 2 of this document.

Investment in the Company will involve certain risks and special considerations:

- (1) investors should be able and willing to withstand the loss of their entire investment; and
- (2) the investments of the Company are subject to market fluctuations and the risks inherent in all investments and there can be no assurance that an investment will retain its value or that appreciation will occur.

It should be remembered that the price of securities and the income from them can go down as well as up.

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ACP CAPITAL LIMITED

Registered Office and Principal Place of Business	Victoria Chambers Liberation Square 1/3 Esplanade St Helier JE4 0FF	
Directors	Derek Vago (<i>Chief Executive Officer</i>) Heiner Kamps (<i>Non-Executive Director</i>) François Georges (<i>Non-Executive Director</i>) Alan Braxton (<i>Non-Executive Director</i>) Trevor Hunt (<i>Non-Executive Director</i>) Richard Boléat (<i>Non-Executive Director</i>) Andrew Duquemin (<i>Non-Executive Director</i>)	All of: Victoria Chambers Liberation Square 1/3 Esplanade St Helier JE4 0FF
Nominated Adviser and Broker	Collins Stewart Limited 9th Floor 88 Wood Street London EC2V 7QR England	
Reporting Accountants	RSM Robson Rhodes LLP 186 City Road London EC1V 2NU England	
Auditors	RSM Robson Rhodes LLP 186 City Road London EC1V 2NU England	
Legal Advisers to the Company	Mishcon de Reya Summit House 12 Red Lion Square London WC1R 4QD England Carey Olsen (as to Jersey law) 47 Esplanade St. Helier Jersey JE1 0BD	
Legal Advisers to the Nominated Adviser and Broker	Norton Rose Kempson House Camomile Street London EC3A 7AN England	
Registrars	Capita IRG (Offshore) Limited Victoria Chambers 1/3 Esplanade St. Helier Jersey JE2 3QA	
Secretary	Channel House Secretaries Limited 7 Esplanade St Helier Jersey JE2 3QA	
Corporate Administrator	Capita Financial (CI) Limited Victoria Chambers 1/3 Esplanade St Helier Jersey JE2 3QA	
Co-Promoters	Collins Stewart Limited 9th Floor 88 Wood Street London EC2V 7QR Derek Vago Victoria Chambers Liberation Square 1/3 Esplanade St Helier JE4 0FF	

PLACING STATISTICS AND EXPECTED TIMETABLE

Dealings in Ordinary Shares on AIM expected to commence	6 January 2006
CREST Accounts expected to be credited in respect of Ordinary Shares issued in uncertificated form	6 January 2006
Certificates in respect of Ordinary Shares issued in certificated form expected to be despatched	20 January 2006
Placing price	100 pence
Number of Ordinary Shares being placed	50,000,000
Total number of Ordinary Shares in issue after the Placing (assuming that all the Placing Shares are placed)	64,194,018
Market capitalisation of Company on Admission at the Placing Price (assuming that all the Placing Shares are placed)	£64,194,018

DEFINITIONS

“ABS”	asset backed security;
“Act”	the Companies Act 1985, as amended;
“Admission”	the admission of the Existing Ordinary Shares and the Placing Shares to trading on AIM becoming effective in accordance with paragraph 6 of the AIM Rules;
“AIM”	the Alternative Investment Market operated by the London Stock Exchange plc;
“ACP” or “Company”	ACP Capital Limited;
“AFG”	the Asset Finance Group at Nomura International;
“AIM Rules”	the rules of AIM in force at the date of this document or, where the context requires, as amended or modified after the date of this document and contained in the booklet called “The AIM Rules” issued by the London Stock Exchange and those other rules of the London Stock Exchange which govern the admission of securities to trading and regulation of AIM;
“Articles”	the amended and restated articles of association of the Company adopted by the Company on 19 December 2005 as amended from time to time;
“Auditors”	RSM Robson Rhodes LLP;
“Board”	the board of Directors of the Company;
“Business Day”	any day on which AIM and banks are open for business in London and Jersey;
“CDO”	collateralised debt obligations;
“CFO”	collateralised fund obligations;
“CMBS”	commercial mortgage-backed securities;
“Collins Stewart”	Collins Stewart Limited;
“Commission”	the Jersey Financial Services Commission;
“Companies Law”	Companies (Jersey) Law 1991, as amended;
“Corporate Administrator”	Capita Financial (CI) Limited;
“CREST”	the computerised settlement system (being the relevant system as defined in the Uncertificated Securities Regulations 2001 (S.I. 2001/3755)) which facilitates the transfer of title to shares in uncertificated form operated by CRESTCo Limited;
“Directors” or “Board”	the board of directors of the Company on Admission, whose names are set out on page 5 of this document and “Director” means any of them;
“EBITDA”	earnings before interest, taxes, depreciation and amortisation;
“ERISA”	US Employee Retirement Income Security Act of 1974, as amended;
“Existing Ordinary Shares”	the 14,194,018 issued Ordinary Shares at the date of this document;
“FSA”	the Financial Services Authority of the United Kingdom;
“Funds Law”	the Collective Investment Funds (Jersey) Law 1988, as amended;
“Initial Gross Proceeds”	the aggregate value of the Ordinary Shares issued under the Placing (taken at the Placing Price);

“Investments”	Managed Funds and Strategic Platforms;
“IFRS”	International Financial Reporting Standards;
“IRR” or “internal rate of return”	the rate which, when applied to the net proceeds of a realised investment, would discount those net realised proceeds back from their date of receipt to the date of their investment to a net present value of zero;
“Lock-In Deed”	the Lock-In Deed and Orderly Market Agreement relating to Shares in the Company dated 20 December 2005 and made between (i) Derek Vago and Others, (ii) the Company and (iii) Collins Stewart;
“Managed Funds”	funds (which can be listed, private placement or a combination of both) intended to be raised and managed by the Company, including the Mezzanine Fund;
“Mezzanine Fund”	the fund intended to be established with the Company as fund manager, as more particularly described in Part 1 of this document;
“Nominated Adviser and Broker Agreement”	the nominated adviser and broker agreement dated 20 December 2005 and made between the Company, the Directors and Collins Stewart;
“Nomura International”	Nomura International plc;
“Placing”	the placing of the Placing Shares by Collins Stewart on behalf of the Company at the Placing Price pursuant to the Placing Agreement as described in this document;
“Placing Agreement”	the conditional agreement dated 20 December 2005 and made between the Company, the Directors and Collins Stewart, under which Collins Stewart agreed to procure subscribers for the Placing Shares;
“Placing Price”	the price of 100p per Placing Share, at which the Placing Shares are being issued pursuant to the Placing Agreement;
“Placing Shares”	the up to 50,000,000 new Ordinary Shares being issued and allotted by the Company pursuant to the Placing;
“Pounds Sterling” or “£”	the lawful currency of the United Kingdom;
“Presidio Partners”	Presidio Partners LLC;
“Prospectus Rules”	as defined in SI 2005 No. 1433 (The Prospectus Regulations 2005);
“Registrar”	Capita IRG (Offshore) Limited;
“Regulatory Information Services Provider”	a primary information provider which has been approved by the FSA to disseminate regulatory information to the market;
“Restricted Shareholders”	Derek Vago, Heiner Kamps, SAS Acapace and Presidio Equity Partners 2005-1 LLC;
“Shares” or “Ordinary Shares”	the ordinary shares of 0.1p each in the capital of the Company;
“Shareholder”	a person recorded as a holder of Shares in the Company’s register of shareholders;
“Strategic Platforms”	entities in which the Company may invest from time to time, in accordance with the Company’s current proposed strategy;
“Taxes Act”	the Income and Corporation Taxes Act 1988 (as amended) of the United Kingdom;
“UK”	the United Kingdom of Great Britain and Northern Ireland;

“Uncertificated Securities Order”	as defined in SI 2001 No. 3755 (The Uncertificated Securities Regulations 2001);
“United States” or “US”	the United States of America (including any state of the United States and the District of Columbia) and any of its territories, possessions and other areas subject to its jurisdiction; and
“US Person”	a citizen or resident of the United States, a corporation, partnership or other entity created or organised in or under the laws of the United States or any person falling within the definition of the term “United States Person” under Regulation S promulgated under the 1933 Act or under Rule 4.7 under the U.S. Commodity Exchange Act.

SUMMARY OF KEY INFORMATION

The Company

The Company is a Jersey-based company and, in line with its current strategy, will be the holding company of a group to be established over time to manage investments and funds/vehicles in niche product sectors, such as asset-backed (predominantly real estate) and non-asset backed mezzanine financing and asset-backed companies (which may provide restructuring opportunities such as sale-leaseback/structured finance transactions) primarily in continental Europe and the UK. It is intended that these assets will be acquired, over time, through the creation of specialised funds or vehicles in respect of which the Company will be the manager.

In parallel with the above strategic objectives, the Company will seek to identify and invest directly in Strategic Platforms which it believes show excellent growth potential on a stand alone basis and synergistic value to the Company in that the Company, through the expertise of its personnel in financial optimisation, can add strategic value, whilst at the same time provide ongoing funding from its proposed various funds and funding vehicles in order to assist in those Strategic Platforms' growth. The Company has identified potential Strategic Platforms in which it could commence investment subject to agreeing commercial terms within the next year.

The Company will be an active investor for the purposes of the AIM Rules.

Market Opportunity

The European market for mezzanine has grown since 1999. The ability to identify these different investment opportunities and Strategic Platforms which assist in the origination of these assets is an important factor in the development of the Company.

Track Record

Derek Vago, the chief executive of the Company, was responsible for growing Nomura International's Asset Finance Group ("AFG") whilst he was its Co-head and Managing Director into a team of over 30 professionals covering Europe and non-Japan Asia with, after only 3 years, revenues in excess of £40 million per annum.

The AFG business comprised the provision of both investment and non-investment grade finance and the subsequent refinancing the majority of these positions through the syndicated and structured finance markets (ABS/CMBS/CDO). Derek focused on providing all forms of non-investment grade capital (BB and B rated mezzanine, preferred equity and equity) as well as putting in place sophisticated sale-leaseback structures. IRR returns generated from these products were in the range of circa 17-27 per cent. (see Part 1, paragraph 5 below).

Derek has circa 15 years of international finance markets and corporate finance experience in the European and Asian markets. Prior to AFG, Derek was Co-Head of the European Real Estate Investment Banking Group of Credit Suisse First Boston in London and, before that, he was instrumental in putting in place the direct investment business within the European real estate group at Bankers Trust (subsequently acquired by Deutsche Bank).

The Company's other board members, combined with the businesses they also represent, have substantial experience in the sectors on which the Company will focus. It is hoped that, over time, those board members and their respective businesses will collaborate with the Company in the opportunities that the Company has targeted. Furthermore, the Directors believe that the extensive networks of relationships that those individuals bring, in addition to those of Derek, can be expected to generate investment opportunities for the Company.

The Company's board will initially include Derek Vago, François Georges (formerly the CEO of Pierres et Vacances, a leading French leisure/hotel operator), Alan Braxton (Managing Director of Presidio Partners, a leading international private placement advisor specialising in the capital raising of niche funds such as those identified by the Company) and Heiner Kamps (the renowned German entrepreneur, who is developing a retail platform in Germany) as well as Trevor Hunt

and Richard Boléat (who provide professional directorship services to fund entities based in the Channel Islands) and Andrew Duquemin (who provides professional directorship services to Channel Islands companies and has been nominated by Collins Stewart).

Business Plan

The Company intends to be a niche investment and fund manager, focusing on mezzanine and other asset-backed structured finance products in continental Europe and the UK.

The Company will over time use leverage to enhance returns on investments in such products with a view to returns of 20 per cent. or greater. By example, mezzanine yielding between 10 per cent. and 14 per cent., can yield returns of 20 per cent. or more with 70 per cent. leverage to asset value.

The Company will, when required, co-invest its own money in the funds it launches and manages. It also intends to invest in complementary and profitable Strategic Platforms in order to enhance origination of investment opportunities for the Company's funds.

Initial Year of Operation

In the first year, the Company intends to implement the following:

- (a) the Company has identified individuals with whom Derek has had long-standing working relationships, in the sectors described above, and with whom the Company would like to advance and finalise negotiations for their employment during the first half of next year. During this phase Presidio Partners is expected to provide the Company with interim administrative and infrastructure support;
- (b) the Company intends to launch the Mezzanine Fund during 2006 and intends to work with Presidio Partners for a target equity fundraising of \$200-250 million as a private placement although the Company is also considering a listing of the Mezzanine Fund. During this period of the fundraising the Company hopes to begin acquiring mezzanine assets using the capital provided by the Placing and an investment grade debt warehouse facility that the Company intends to put in place. It is intended that any mezzanine assets acquired will be transferred into the Mezzanine Fund. The characteristics of the Mezzanine Fund and the assets to be acquired may be subject to change and will be finalised after discussions with and advice received from the Company's advisors at the appropriate time;
- (c) the Company intends to make investments within the "value enhancement" sector with a view to launching a value enhancement / sale and leaseback fund during 2007; and
- (d) the Company has identified a series of potential Strategic Platform and joint venture opportunities which it believes could lead to significant origination of investment opportunities for the Mezzanine Fund, value enhancement investment opportunities and other core funding vehicles. Given that they are in the process of negotiation, details of these cannot be disclosed at present but it is the Company's intention to commence investment, subject to agreeing commercial terms, in such opportunities within the next year.

The targets identified for the initial year of operation and subsequent years of operation may be accelerated and/or re-prioritised in light of market opportunities.

Subsequent Developments

The Company intends to develop its business during the subsequent 2 to 4 years of operations through the following activities:

- (a) launching a value enhancement and sale and leaseback fund during 2007 aiming to raise \$200-250 million of capital commitments focusing on acquiring under-valued assets. These are intended to include operating businesses with substantial asset-backed collateral where Derek believes there are opportunities to refinance such vehicles through putting in place, for example, a sale and leaseback structure. This is similar to the transactions undertaken whilst at AFG such as the sale and leaseback of CenterParc Europe's assets (with Pierres et Vacances), the acquisition of the Earls Court & Olympia site and the take-private of DFS;
- (b) launching a new Managed Fund targeting a niche product sector each year subsequent to 2007 and continuing its Strategic Platform investment objectives. In order to launch a new

Managed Fund and continue direct investments in Strategic Platforms in 2008, and prior to realising targeted investment returns and performance fees on its initial Managed Funds, the Company expects to require additional capital. The product niches and opportunities targeted by the Company for subsequent new Managed Funds may include as examples:

- (i) mezzanine via a second fund as the Mezzanine Fund is projected to have been fully invested by 2008;
 - (ii) preferred equity in CDO vehicles that specialise in asset-backed sectors; and
 - (iii) forming joint ventures with financial institutions, which, as a result of the impending Basel II requirements, will focus on acquiring banks' non-investment grade assets; and
- (c) investigating opportunities to acquire "positions" in existing niche funds in which the existing management team, although successful in their own right, would benefit from the synergies created through an alliance with the Company. Derek, through the many relationships he has developed in the asset-backed and mezzanine sectors, has identified opportunities that he believes would welcome such an approach. The Company expects to require additional capital in order to undertake any such acquisition.

Financial Goals of the Company

The Company's financial goals are to have funds under management and direct investments in Strategic Platforms in excess of £1 billion in terms of gross asset value by the end of its third year of operation and to generate £40 million in revenue in its third year. In order to achieve these goals the Company expects to require further funding, including additional capital.

The Company's revenues are expected to consist of the following income streams:

- (a) dividend and capital gain from the equity investments intended to be made by the Company into the Managed Funds and Strategic Platforms;
- (b) investment management fees generated from the management of the Managed Funds; and
- (c) carried interests or incentivised returns hoped to be created by achieving/surpassing the target returns established for the various Managed Funds.

Seed Capital Investment

Derek Vago has invested (through a nominee company) £6,250,000 as seed capital and, in exchange for this seed capital, Derek Vago has received 12,500,000 Shares. Presidio Equity Partners 2005-1 LLC (in which Alan Braxton has an interest), SAS Acapace (in which François George has an interest) and Heiner Kamps have invested in aggregate the sum of £847,009 and, in exchange for this sum, these investors have received 1,694,018 Shares. The total of sums invested is, in aggregate, £7,097,009. These investors will have interests in, in aggregate, 14,194,018 Shares as at the date of this document.

The Placing and Use of Proceeds

Subject to Admission, the Company is to issue up to 50,000,000 Placing Shares at the Placing Price, which will raise up to £50,000,000 (approximately £47,400,000 net of expenses payable by the Company) under the Placing Agreement, Collins Stewart has agreed conditionally, *inter alia*, on Admission to use its best endeavors to procure places for the Placing Shares at the Placing Price. Upon Admission, and, assuming that all the Placing Shares are placed, the Company will have 64,194,018 Ordinary Shares in issue and a market capitalisation of £64,194,018 at the Placing Price. Application has been made for admission of the entire issued share capital of the Company to trading on AIM and Admission is expected to become effective on 6 January 2006. The minimum consideration payable under the Placing by any underlying beneficial investor for the Shares is £50,000.

The net proceeds of the Placing, along with the Company's existing capital, will provide funds for the intended investment by the Company in acquiring mezzanine assets and the Mezzanine Fund, strategic platforms and value enhancement/sale and leaseback opportunities, as well as for the working capital for the Company's activities.

It is the Company's intention that the Company can exist for 18 months from Admission without making an investment before returning funds to its shareholders (subject to the shareholders in general meeting agreeing to extend such period).

Share Incentivisation and Remuneration

The Company recognises the need to incentivise the Directors, managers and employees properly and to align their interests with those of the shareholders of the Company. This is especially so since it is intended that the majority of the carried interests returns generated from the Managed Funds will flow to the Company and not to the individuals who are its investment fund managers.

The Company has the power under the Articles to issue and allot up to 6 million Shares during the 18 month period following Admission in order to attract identified and prospective key managers, employees and certain others to compensate these individuals for lost bonuses, options and other remuneration consequent upon their leaving their existing employment. The Shares may be issued at nominal value and are likely to have a lock-in period.

It is also proposed that a share-based remuneration scheme be put in place for executive directors, management and employees, which will allow wealth creation for them on a long-term basis which is comparable in value to their peers in the private equity, hedge/alternative investment fund and the banking industries. For each of the first 3 years of the Company's operation, the Directors will be able to award options to acquire shares equivalent to up to 10 per cent of the then issued share capital. It is intended that such awards will be subject to an annual TSR and performance target of 12.5 per cent. for the given year (this includes dividends received and share capital appreciation based on market value) ("TSR"). The options in these first three years will have nominal exercise prices. Entitlement to options will be in full if the annual TSR target of 12.5 per cent. is achieved and will decline on a straight-line basis to 50 per cent. at an annual TSR of 10 per cent., with no entitlement below that level. It is also intended that, should the target in a given year be missed, management and employees will have up to the relevant vesting period for those share options to achieve the return so long as the subsequent average (over the period) is the same. Options will only be exercisable at the end of a 3 year period following the achievement of the performance target. Therefore, the earliest date on which the options can be exercised will be at the beginning of the fifth year of operation. This is intended to create a long term alignment of interest between the Shareholders and the management team. The Board will review the maximum level of annual share based remuneration awards at the end of the Company's initial 3 year period of operation. The terms of the intended share based remuneration scheme will require the approval of Collins Stewart prior to its implementation by the Company.

The maximum levels of shares issuable to attract individuals to the Company and of share based remuneration awardable in the Company's initial 3 year period of operation are intended to be sufficient for the management team and employees required to enable the Company to achieve its stated financial goals as set out in this document. In order to achieve these financial goals the Company expects to require further funding, including additional capital. If the Company does not further increase its funding the Company will plan its recruitment accordingly and as such the level of shares and share-based remuneration actually issued would be less than the maximum amounts allowable.

Salaries for Directors (including Derek Vago), management and employees (other than support staff) will range from £100,000 to £200,000 annually with cash bonuses capped at 3 times salary. It is not anticipated that there will be any cash bonuses payable in the first year of operation. All management and employees will receive more than 50 per cent of their total compensation in share options and, in the case of Derek Vago, this is expected to be at least 75 per cent. For example, it is anticipated that in the first year, Derek Vago will receive share option-based remuneration to the value of £2,500,000, which will be subject to the performance targets and exercise periods referred to above. Thereafter it is anticipated that Derek Vago will receive not less than 33 per cent. of all share option-based remuneration for the management team.

It is intended that following Admission, Derek Vago will enter into a service agreement with the Company under which the notice period will accord with ABI guidelines.

The Company has agreed to indemnify Derek Vago, in connection with any adverse UK tax consequences arising out of his investment of seed capital. The Company has been independently advised that there are good grounds to support the view that no UK tax liability should arise on the investment of seed capital.

The Company intends following Admission to take out a Keyman Insurance policy in respect of Derek Vago for an amount up to the sum of £10,000,000.

Dividend policy

The Company would expect over time to be significantly cash generative following the successful establishment of its Managed Funds and the Directors intend, subject to satisfactory trading and the availability of distributable reserves, to implement an attractive dividend payment policy. The Directors expect to commence the payment of dividends in the year ending 31 December 2006 and, subject to trading and reserves as stated above, would seek to declare dividends for that year of 2 pence per Share and for the year ending 31 December 2007 of 6 pence per Share.

Financial Information

The Company was incorporated in Jersey on 30 August 2005. It has not yet traded or generated any income.

PART 1

Information about the Company

The following is a summary of the principal features of the Company and should be read in conjunction with the full text of this document. The attention of potential investors is drawn to the Risk Factors set out on in Part 2 of this document.

1. Overview

The Company is a Jersey-based company and, in line with its current strategy, will be the holding company of a group to be established over time to manage investments and funds/vehicles in niche product sectors, such as asset-backed (predominantly real estate) and non-asset backed mezzanine financing and asset-backed companies (which may provide restructuring opportunities such as sale-leaseback/structured finance transactions) primarily in continental Europe and the UK. It is intended that these assets will be acquired, over time, through the creation of specialised funds or vehicles in respect of which the Company will be the manager.

In parallel with the above strategic objectives, the Company will seek to identify and invest directly in Strategic Platforms which it believes show excellent growth potential on a stand-alone basis and synergistic value to the Company in that the Company, through the expertise of its personnel in financial optimisation, can add strategic value, whilst at the same time provide ongoing funding from its proposed various funds and funding vehicles in order to assist in those Strategic Platforms' growth. The Company has identified potential Strategic Platforms in which it could commence investment, subject to agreeing commercial terms, within the next year.

The Company will be an active investor for the purposes of the AIM Rules.

The European market for mezzanine has grown since 1999 as investors seek to utilise these products to enhance the return on their investments. The ability to identify these different investment opportunities and Strategic Platforms which assist in the origination of these assets is an important factor in the development of the Company.

Derek Vago, the chief executive of the Company, was responsible for growing AFG whilst he was its Co-head and Managing Director into a team of over 30 professionals covering Europe and non-Japan Asia with, after only 3 years, revenues in excess of £40 million per annum.

The AFG business comprised the provision of both investment and non-investment grade finance and the subsequent refinancing the majority of these positions through the syndicated and structured finance markets (ABS/CMBS/CDO). Derek focused on providing all forms of non-investment grade capital (BB and B rated mezzanine, preferred equity and equity) as well as putting in place sophisticated sale-leaseback structures. IRR returns generated from these products were in the range of circa 17-27 per cent.

Derek's track record at AFG included the overall development of the business from a standing start, identifying the opportunity to create a leading presence in the mezzanine sectors, as well as leading directly the execution of innovative structures in notable transactions such as the sale-leaseback of 7 of CenterParcs Europe's sites (with Pierres et Vacances) and the acquisition and financing of Earls Court & Olympia, and its subsequent refinancing.

Previous to Nomura International, Derek's experience has seen him lead a series of innovative transactions through Europe providing and financing structured solutions to corporates (including Cofinimmo, GL Trust N.V., Shurgard Self-Storage), thereby assisting them to achieve their expansion/acquisition goals, as well as completing highly profitable direct investments in asset-backed operating businesses.

The Company's other board members, combined with the businesses they also represent, have substantial experience in the sectors in which the Company will focus. It is hoped that, over time, those board members and their respective businesses will collaborate with the Company in the opportunities that the Company has targeted. Furthermore, the Directors believe that the extensive networks of relationships that those individuals bring, in addition to those of Derek, can be expected to generate investment opportunities for the Company.

The Company's board will initially include Derek Vago, François Georges (formerly the CEO of Pierres et Vacances, a leading French leisure/hotel operator), Alan Braxton (Managing Director of Presidio Partners, a leading international private placement advisor specialising in the capital raising of niche funds such as those identified by the Company) and Heiner Kamps (the renowned German entrepreneur, who is developing a retail platform in Germany) as well as Trevor Hunt and Richard Boléat (who provide professional directorship services to fund entities based in Jersey) and Andrew Duquemin (who provides professional directorship services to CI companies and has been nominated by Collins Stewart).

Derek Vago, François Georges, Heiner Kamps and Alan Braxton, directly or through their companies, have invested or agreed to invest, in aggregate, £7,097,009 in the Company, which creates a strong alignment of interests between the Board and Shareholders. Derek has personally invested £6,250,000 as seed capital.

Biographies of all the Directors are described in Part 1, paragraph 4 below.

2. ACP's Business Plan

Overview

The Company will target investments in niche structured finance and investment products, including:

- (a) asset-backed (primarily real estate) and non asset-backed mezzanine (BB/B implied rating);
- (b) equity investments in asset-backed companies and sale/leasebacks; and
- (c) other structured finance products such as first loss positions in senior loan warehouse facilities, equity positions in ABS/CMBS/CDO transactions.

The Company intends to launch the Mezzanine Fund during 2006 and is intending to work with Presidio Partners for the fund for a target equity fundraising of \$200-250 million. The Company also intends in due course to launch a "value enhancement" fund investing in asset backed companies and sale and leaseback transactions and will also investigate launching funds in other niche product sectors, such as preferred equity in asset-backed CDOs.

The Company aims to diversify its investment in funds so that after an initial three year period the Company will have invested in at least five funds or Strategic Platforms. The Company will seek to obtain corporate borrowing facilities in due course, subject to a limit on borrowings of 5 times EBITDA.

The characteristics of the funds and the assets to be acquired may be subject to change and will be finalised after discussion with and advice received from the Company's advisors at the appropriate time.

Market Opportunity

Nascent market

The European market for mezzanine has grown since 1999. The nascent nature of the real estate mezzanine capital markets in continental Europe, in particular, creates an attractive investment environment, as it is relatively underserved by financial providers with expertise in those products. Continental Europe will be the core area of focus for the Company.

The Board believes that whilst the mezzanine market in the UK is more developed than that of continental Europe, there remain attractive opportunities for mezzanine investments generally.

The opportunities for real estate mezzanine and other asset-backed structured finance are also being driven by two significant factors affecting the commercial property markets. Firstly, property valuations have increased while providers of debt financing have not always expanded their lending programs to meet the resulting demand. Thus opportunities exist to bridge the financing gap between equity and debt. Secondly, changes in banking legislation, primarily as a result of Basel II, will potentially result in banks being more focused on the products they intend to offer in order to reduce the capital charge resulting from these products being on their balance sheet. This should provide companies such as the Company with an opportunity to meet this increase in demand. As a consequence of this and as an example, the Company is currently in discussions with a German bank about providing mezzanine financing alongside that bank to enhance the bank's German real estate lending.

As an indication of the scale of the potential market in the product areas in which the Company will invest, DTZ Research estimates that the UK alone could generate more than Euro 13 billion in corporate sale and leaseback activity over the next five years.

Initial Year of Operation

In the first year, the Company intends to implement the following:

- (a) the Company has identified individuals with whom Derek has had long-standing working relationships, in the sectors described above, and with whom the Company would like to advance and finalise negotiations for their employment during the first half of next year. During this phase Presidio Partners is expected to provide the Company with interim administrative and infrastructure support;
- (b) the Company intends to launch the Mezzanine Fund during 2006. During this period of the fundraising the Company hopes to begin acquiring mezzanine assets using the capital provided by the Placing and an investment grade debt warehouse facility that the Company intends to put in place. It is intended that any mezzanine assets acquired will be transferred into the Mezzanine Fund. The characteristics of the Mezzanine Fund and the assets to be acquired may be subject to change and will be finalised after discussions with and advice received from the Company's advisors at the relevant time.
- (c) the Company intends to make one or two investments within the "value enhancement" sector with a view to launching a value enhancement / sale and leaseback fund during 2007; and
- (d) the Company has identified a series of potential Strategic Platform and joint venture opportunities which it believes could lead to significant origination of investment opportunities for the Mezzanine Fund, value enhancement investment opportunities and other core funding vehicles. Given that they are in the process of negotiation, details of these cannot be disclosed at present but it is the Company's intention to commence investment, subject to agreeing commercial terms, in such opportunities within the next year.

The targets identified for the initial year of operation and subsequent years of operation may be accelerated and/or re-prioritised in light of market opportunities.

Subsequent Developments

The Company intends to develop its business during the subsequent 2 to 4 years of operations through the following activities:

- (a) launching a value enhancement and sale and leaseback fund during 2007 aiming to raise \$200-250 million of capital commitments focusing on acquiring under-valued assets. These are intended to include operating businesses with substantial asset-backed collateral where Derek believes there are opportunities to refinance such vehicles through putting in place, for example, a sale and leaseback structure. This is similar to the transactions undertaken whilst at AFG such as the sale and leaseback of CenterParc Europe's assets (with Pierres et Vacances), the acquisition of the Earls Court & Olympia site and the take-private of DFS;
- (b) launching a new Managed Fund targeting a niche product sector each year subsequent to 2007 and continuing its Strategic Platform investment objectives. In order to launch a new Managed Fund and continue direct investments in Strategic Platforms in 2008, and prior to

realising targeted investment returns and performance fees on its initial Managed Funds, the Company expects to require additional capital. The product niches and opportunities targeted by the Company for subsequent new Managed Funds may include as examples:

- (i) mezzanine via a second fund as the Mezzanine Fund is projected to have been fully invested by 2008;
 - (ii) preferred equity in CDO vehicles that specialise in asset-backed sectors; and
 - (iii) forming joint ventures with financial institutions, which, as a result of the impending Basel II requirements, will focus on acquiring banks' non-investment grade assets; and
- (c) investigating opportunities to acquire "positions" in existing niche funds in which the existing management team, although successful in their own right, would benefit from the synergies created through an alliance with the Company. Derek, through the many relationships he has developed in the asset-backed and mezzanine sectors, has identified opportunities that he believes would welcome such an approach. The Company expects to require additional capital in order to undertake any such acquisition.

Whilst the Company is in reasonably advanced discussions with regards some of the identified investment opportunities described above, there is no guarantee that these opportunities will continue to be available in the future or that the Company will invest in these opportunities.

Financial Goals of the Company

The Company's financial goals are to have funds under management and direct investments in Strategic Platforms in excess of £1 billion in terms of gross asset value by the end of its third year of operation and to generate £40 million in revenue in its third year. In order to achieve these goals the Company expects to require further funding, including additional capital.

The Company's revenues are expected to consist of the following income streams:

- (a) dividend and capital gain from the equity investments intended to be made by the Company into the Managed Funds and Strategic Platforms;
- (b) investment management fees generated from the management of the Managed Funds; and
- (c) carried interests or incentivised returns hoped to be created by achieving/surpassing the target returns established for the various Managed Funds.

The Mezzanine Fund

It is intended that the Mezzanine Fund will invest in senior and junior mezzanine financing (and preferred equity), predominantly BB/B implied rating, which on the whole is backed by real estate and other asset-backed collateral, in continental Europe and the UK. It is expected that the Mezzanine Fund will seek to generate a gross annual IRR of in excess of 20 per cent. through the use of leverage directly within the Mezzanine Fund. Derek has experience in understanding how to put in place this leverage given the transactions undertaken by him and his former team within the mezzanine and CDO sectors. It is expected that the Mezzanine Fund can achieve approximately 70 per cent. leverage to asset value on the acquisition of mezzanine assets it identifies.

The Company will perform the role of fund manager and may be required to inject capital of 20 per cent. of the committed equity.

The Directors expect that the Company, as fund manager and investment adviser, will charge the Mezzanine Fund an annual management fee of approximately 1.0 per cent. to 1.5 per cent. of capital commitments to the fund and be entitled to a carried interest equating to approximately 20 per cent. of the investment return of the fund as long as a predetermined benchmark is achieved for the investors.

Strategic Platforms

The Company has identified specific investment opportunities in companies/vehicles which it believes already have growth on a stand-alone basis but to which the Company can add value through its financing expertise combined with its funding platforms (for example, mezzanine and

investment grade warehouse line to the extent that they are in place). Through direct investment the Company would seek to assist the Strategic Platform in its growth whilst offering the Company a targeted return on its direct investment, investment origination for its Managed Funds and other possible synergies. In addition to the above, the Company will apply a target IRR of in excess of 20 per cent. on the whole in assessing opportunities for direct investment in Strategic Platforms.

Discussions with regard to direct investments in Strategic Platforms are at extremely early stages and as such details cannot at present be disclosed. However, illustrative outline details of certain of the identified opportunities are as follows:

- (a) a UK small/medium size independent commercial lender. The Company would seek to acquire a minority shareholding, carrying board representation, and put in place agreements to provide certain types of funding and strategic support to the Strategic Platform. The Strategic Platform identified currently lends commercial loans secured against assets ranging in amounts from £50,000 to £2,000,000, with an average loan to value ratio of 75 per cent. and a total volume per annum of approximately £500 million. The Company would propose to provide a mezzanine tranche as part of the loan enabling the Strategic Platform to offer a different product, thus potentially increasing its lending volume. The Company would retain the mezzanine in the Mezzanine Fund and the Strategic Platform should generate greater lending volumes for itself which in turn should enhance the Company's returns. The Company could furthermore act as a lender on the core warehouse line to the Strategic Platform, which could generate additional revenues for the Company.
- (b) a private small European retail operator with a strategy of acquisition/consolidation potentially generating mezzanine and direct investment opportunities;
- (c) a German real estate asset management company which could offer origination of sale-leaseback assets in Germany; and
- (d) an established core institutional asset manager with circa £1 billion real estate assets/funds under management which would enable ACP potentially to cross-sell products to the existing institutional clients, provide significant overhead synergies and could enable the Company to manage its risk profile across its overall business.

Group Operating Structure

The Company is incorporated under the laws of Jersey and will be the holding company of a group to be established over time. The Company will also be a collective investment fund and fund manager for the purposes of Jersey law. The Company is permitted under Jersey law to establish other Collective Investment Schemes, manage funds and provide investment advice.

Investment decisions will be taken by the Board.

It is intended that the Company will establish a subsidiary in the UK to act as investment adviser to the Company. The investment advisory subsidiary will be required to obtain authorisation by the FSA to the extent it undertakes any regulated activities in the United Kingdom and cannot rely on an exclusion. However, to the extent that the subsidiary provides investment advice to the Company and does not carry on any other regulated activities, it will not require FSA authorisation. The Company is mindful of the regulated environment in which it operates and will keep its obligations in this regard under constant review. To the extent that its activities, whether in Jersey, the UK or elsewhere require further authorisation, such authorisation will be sought at the appropriate time. All material decisions, including significant acquisitions/investments will be made at the Board level of the Company.

The investment advisory subsidiary will employ a staff of multi-disciplinary professionals to support the growth of the Company. The investment advisory subsidiary's team will assist the Board in identifying and evaluating investment opportunities. The Board has identified and believes it should be able to attract a number of individuals, whom they believe, have the relevant experience and expertise in the product sectors in which the Company will focus. For its advisory services the investment advisory subsidiary will receive an arms length fee from the Company.

3. Reason for Admission and use of proceeds

The Company is seeking admission of the Shares to trading on AIM and undertaking the Placing in order to provide funds to be used along with its existing capital for:

- (a) investment in mezzanine assets prior to the closing of the Mezzanine Fund combined with an investment in the Mezzanine Fund for an approximate total of £20 million. It is envisaged that the Company will satisfy its investment in the Mezzanine Fund through the value of completed investments transferred to the fund;
- (b) investment of, in aggregate, approximately £20 million in two Strategic Platforms;
- (c) investment of, in aggregate, approximately £10 million in one or two value enhancement/sale and leaseback opportunities; and
- (d) working capital in relation to the Company's activities.

The amounts to be invested above are not definite and are subject to change.

4. Directors and Key Personnel

Directors

The Board comprises Derek Vago, Heiner Kamps, François Georges, Alan Braxton, Trevor Hunt Richard Boléat and Andrew Duquemin. Derek Vago is the chief executive officer of the Company and all the other Directors act in a non-executive capacity. Biographies of the Directors of the Company as set out below:

Derek Vago, Chief Executive Officer (age 42)

Derek Vago is the chief executive officer of the Company. Derek was Managing Director and Co-head of the Asset Finance Group at Nomura International plc, where he worked from July 2002 until September 2005. Derek has circa 15 years of international finance markets and corporate finance experience in European and Asian Markets. Prior to AFG, Derek had been Co-Head of the European Real Estate Investment Banking Group of Credit Suisse First Boston in London and, before that, he was responsible for putting in place the direct investment business within the European real estate group at Bankers Trust (subsequently acquired by Deutsche Bank).

Derek has a Masters of Science degree in Real Estate Finance from New York University and both a BSc and a B Architecture degree from McGill University in Canada. Further details of Derek's track record in financings are set out in paragraph 5 below.

Heiner Kamps, Non-executive Director (age 50)

Heiner Kamps is the CEO of Kamps Food Retail Investments, a holding company which acquired Nordsee, a German fish chain restaurant with a turnover of Euros 350 million and over 400 restaurants across Germany, Austria, Switzerland and eastern Europe, in September 2005.

Heiner is best known for his involvement with the German industrial bakery group now known as Kamps AG. Heiner founded the company in 1982, and grew the business to 23 bakeries by 1992 when he sold the company to US food group Borden Inc. He continued to work for the company as Managing Director and bought back the bakeries business in 1996 in a management buy out funded by private equity firm Apax Partners. He was CEO of the company from 1996, overseeing its flotation on the German stock exchange in 1998, until 2002 when the company, which had a turnover of Euros 1.8 billion, was taken over for Euros 1.8 billion (including debt) by Italian pasta group Barilla.

Since his departure from Kamps AG, Heiner has been Managing Director of BHV GmbH, an investment, consulting and asset management company, and has been on the board of several companies in Germany and internationally.

Heiner is a trustee of the humanitarian Heiner Kamps Foundation "Bread against Misery" founded in 2003. Heiner has a Masters in Business Administration.

François Georges, Non-executive Director (age 55)

François Georges spent almost 10 years until May 2005 as Director General of Pierre et Vacances, the French tourism and leisure group which owns CenterParcs Europe. During this time François was responsible for key strategy changes, focusing on the expansion of the group in France and

Europe, through acquisitions including CenterParcs Europe and Maeva which was worth Euros 130 million in 2002, and organic growth into new geographical and product markets. The group has developed its real estate and tourism business in Italy since 2000 and has also acquired a number of real estate assets and companies in France, the Netherlands, Germany and Belgium. In 1999 the group had a turnover of Euros 150 million in France alone, and in 2004 had a turnover of Euros 1.2 billion, 40 per cent. of which was in Continental Europe rather than France. The value of the group has increased eight times since its introduction on the French stock exchange in 1999. François has also been responsible for implementing the sale and leaseback strategy employed by the group, which has global worth of around Euros 700 million.

François was also Finance Director of Pierre et Vacances between 1992 and 1996, during which time he implemented a financial centralisation strategy and managed the fallout from the 1990s real estate crisis, which involved negotiations with financiers, sales of non-strategic core investments and reallocation of group funds to ensure a rapid recovery on investments. François is a qualified auditor and spent over 5 years until 1989 with Arthur Andersen, where he specialised in real estate, distribution and corporate finance work.

Alan Braxton, *Non-executive Director (age 44)*

Alan Braxton co-founded Presidio Partners LLC in May 2003. Presidio Partners is a full service real estate private equity firm representing a broad range of US and international clients. Since its formation, Presidio Partners has completed private equity capital raising assignments in excess of \$2.7 billion. Prior to founding Presidio Partners, Alan was a principal in the Real Estate Private Equity Group at Bank of America Securities LLC. His responsibilities included providing investment advisory services, key client management oversight and capital raising. During Alan's tenure with Banc of America Securities, the Real Estate Private Equity Group completed transactions totalling in excess of \$4.0 billion in equity commitments on behalf of their clients.

Prior to joining Bank of America Securities, Alan was a Managing Director within LaSalle Investment Management, a wholly-owned subsidiary of Jones, Lang, LaSalle, Inc. During his 11-year tenure with LaSalle, he held positions within the Client Capital, Portfolio Management and Asset Management areas. Alan launched and raised proprietary investment vehicles, and held direct portfolio management responsibility for assets in excess of \$2.0 billion on behalf of US and international clients. Alan has also held positions with the Brand Management group of The Quaker Oats Company and the Commercial Lending group of Mellon Bank Corporation. Alan is a member of Pension Real Estate Association, INREV and The Zell-Lurie Real Estate Center and a founding Board Member of the Real Estate Executive Council. He holds a Master of Business Administration from The Wharton School, University of Pennsylvania and a Bachelor of Science in Business Administration from Indiana University of Pennsylvania.

Richard Boléat, *Non-executive Director (age 42)*

Richard Boléat currently serves on the Board of Capita Financial (CI) Limited ("Capita"), a wholly owned subsidiary of Capita Group plc. He was formerly a Principal of Channel House Financial Services Group Limited prior to its acquisition by Capita Group plc in September 2005. He qualified as a Chartered Accountant with Coopers & Lybrand in the United Kingdom in 1988, and subsequently worked in the Middle East, Africa and the United Kingdom for a number of commercial and financial services groups before returning to Jersey in 1990. He leads Capita's offshore financial services client practice and serves on the boards of a number of substantial collective investment funds and investment services entities. He has no significant activities outside of his role at Capita. Richard currently chairs the hedge fund sub-committee of the Jersey Funds Association.

Trevor Hunt, *Non-executive Director (age 52)*

Trevor Hunt currently serves on the board of Capita Financial (CI) Limited and is a Senior Manager at Capita Trust Company (Jersey) Limited, both entities being wholly owned subsidiaries of Capita Group plc. Prior to joining Capita, Trevor worked for HSBC for 33 years and held various senior managerial posts. He has over 25 years experience of offshore funds, specializing in both open ended and closed ended funds.

Trevor is currently a director of a number of offshore collective investment funds and investment services entities. He has no significant activities outside of his role at Capita.

Andrew Duquemin, *Non-executive Director (Age 47)*

Andrew Duquemin is a director of Collins Stewart Fund Management Limited, a Guernsey registered company and wholly owned subsidiary of Collins Stewart Tullett plc. Andrew runs the corporate finance and fund management departments of Collins Stewart Fund Management Limited, where he is actively involved in the listing of companies on both the London Stock Exchange and The Channel Islands Stock Exchange. Andrew is also a director of Corporate Consultants Limited, a Guernsey based consultancy business which has provided corporate finance and management consultancy services since 1991. Andrew has a degree in Accounting and Finance and qualified as a Chartered Accountant in 1982. He is also a Fellow of the Securities Institute.

5. Track Record

Asset Finance Group

Derek Vago has a proven track record in advising on financings involving senior debt, senior mezzanine debt, junior mezzanine debt and equity capital, as demonstrated by his track record at AFG, highlights of which are set out as follows (brief descriptions of these transactions are also set out further below):

<i>Transaction</i>	<i>Investment Date</i>	<i>Property Type</i>	<i>Total Initial Nomura International Transaction Financing^{(1),(2)}</i>	<i>Investment type⁽¹⁾</i>	<i>Nomura International Junior Mezzanine/ Preferred Equity Investment⁽²⁾</i>	<i>Nomura International Junior Mezzanine/ Preferred Equity Investment Projected IRR at underwriting</i>	<i>Nomura International Junior Mezzanine/ Preferred Equity Investment realised/ projected IRR as at September 2004⁽³⁾</i>
Laurel Pubs*	December 2002	Leisure	E495 mm	Senior Debt, Junior and Senior Mezzanine, Common Equity	E30mm	13%	circa 17%
CenterParcs Europe	September 2003	Leisure/ Entertainment	E433	Senior Debt, Junior and Senior Mezzanine, Common Equity	E30mm	17.5%	circa 17.5%
Earls Court & Olympia	May 2004	Convention Center/ Entertainment	E370mm	Senior Debt, Junior and Senior Mezzanine, Common Equity	E17.5mm	20%	circa 20-27%
DFS plc*	July 2004	Retail	E631 mm	Senior Debt, Junior and Senior Mezzanine, Working Capital and Capex facilities	E37mm	19%	circa 19%
Project Shaft	December 2004	Retail, Office and Leisure	E190mm	Senior Debt, Junior and Senior Mezzanine, Preferred Equity	E20mm	17.8%	circa 23.2%
Total			E2,119mm		E134.5mm		

(1) Excludes any excess margin earned from syndication of debt and equity.

(2) Represents initial investments by Nomura International prior to syndication of debt and equity.

(3) Values of transactions consummated in British pounds converted to Euros based on an assumed £1=E1.5 exchange rate.

(4) * indicates transactions for which Derek was responsible as Co-head of the Asset Finance Group team, but in which he was not personally active.

Brief descriptions of some of the deals in which Derek was either actively involved or oversaw whilst Managing Director and Co-Head of AFG are set out below.

**Laurel Pubs*

In December 2002, Nomura International provided £320 million of debt (senior, senior mezzanine and junior mezzanine facilities) to finance the acquisition by London & Regional Properties Ltd and Morgan Grenfell Private Equity from the Laurel Pub Company of a portfolio of 280 managed pubs (267 freehold and 13 long leasehold).

Center ParcsEurope

In September 2003, Nomura International completed the €440 million multi-jurisdiction sale and leaseback of 7 CenterParcs Europe sites located in the Netherlands, Germany and Belgium for Pierre & Vacances, where Nomura International led the structuring and underwrote the entire balance of debt (senior, senior mezzanine and junior mezzanine facilities) and equity funding necessary to close the transaction.

Earls Court & Olympia

In May 2004, Nomura International completed the acquisition of the £245 million London exhibition complex Earls Court & Olympia from Candover, in which it led the structuring and underwrote the entire necessary debt funding (senior, senior mezzanine, junior mezzanine and working capital facilities and preferred equity) alongside St James Capital.

**DFS plc*

In July 2004, Nomura International completed the £521 million public to private acquisition of DFS plc, the largest retailer of upholstered furniture in the UK. Nomura International led the structuring and provided the entire debt financing (senior, capex, working capital, senior mezzanine and junior mezzanine facilities) to support Lord Kirkham's successful bid.

Project Shaft

In December 2004, Nomura International closed the Euros 155.1 million acquisition of a mixed use real estate portfolio of 10 properties located in western Germany from Deutsche Bank Real Estate. Nomura International led the structuring and provided the entire debt financing (senior, capex, senior mezzanine and junior mezzanine facilities) needed for the transaction as well as preferred equity alongside Shaftesbury.

**SVG Diamond*

In September 2004 Nomura International won the IFR European CDO Deal of the Year for completing the first arbitrage CDO backed by private equity assets.

**CBR*

In November 2004, Nomura International acquired senior mezzanine debt of Euros 10 million as part of a debt syndicate to this German fashion company which was acquired by Cinven and Apax.

Nordsee

In August 2005, Nomura International underwrote and completed the acquisition of Nordsee, a European fast food business, for Euros 140 million, in a joint acquisition with Heiner Kamps.

Prior to AFG

Brief descriptions of some of the transactions in which Derek was involved prior to his appointment at Nomura International, with Credit Suisse First Boston and Bankers Trust (now Deutsche Bank), are set out below.

Cofinimmo

In July 2000, Credit Suisse First Boston underwrote off balance sheet financing of Euros 355 million of senior debt and Euros 50 million of mezzanine debt for the acquisition of AXA office portfolio owned by Primaedis S.A. in Belgium. The facilities were successfully syndicated and the Directors reasonably believe that the mezzanine target IRR of circa 15 per cent. was achieved.

Shurgard Self-Storage

In 1999, Derek Vago led an investment consortium investing Euros 122 million of preferred private equity and underwrote in two tranches Euros 300 million of syndicated debt facilities. The Directors reasonably believe that IRR achieved was circa 22 per cent. on the equity.

GL Trust N.V.

In April 1998, Bankers Trust acquired a 39.9 per cent. equity position in GL Trust N.V. and arranged US\$40 million of senior debt financing to a new Belgian vehicle specialising in the retail-warehouse sector. On sale of the Company, the Directors reasonably believe that the final IRR was in excess of 40 per cent.

Regus

In August 1998, Bankers Trust led a \$100 million preferred equity investment in Regus, 50 per cent. of which was later sold to Apollo. The Directors reasonably believe that the preferred equity investment achieved an IRR of greater than 50 per cent.

Grupo Filo

In October 1997, Bankers Trust provided a bridge debt standby facility during a capital increase period to this Spanish listed real estate company, together with a first preferred equity investment, 50 per cent. of which was sold to Ivanhoe. Derek developed a business plan that led to the restructuring of Filo, which at the time had financial difficulties. This included a detailed asset disposal strategy, restructuring of the company's debt facilities and a refocus to the Company's core business.

Hemingway Properties PLC

In February 1996, Bankers Trust provided £20 million of structured mezzanine financing with a term of 3 years for the acquisition by Hemingway of office property in the UK.

Barclays Bank PLC (France)

In January 1996, Derek structured and executed the first sale of non-performing bank loans in continental Europe.

6. Investment Process

The Company will subject each potential investment opportunity to initial assessment of its market and financial feasibility. Evaluation of the market for the investment may involve using either internally or externally generated market research and will take into consideration the competition environment and supply/demand in relation to the investment. The Company will also conduct preliminary financial due diligence in order to identify and minimise any potential risks. Due diligence may include a credit analysis, a thorough assessment of the potential investment's underlying value (particularly where any potential investment relies on asset collateralisation) and development of the Company's own financial projections using conservative (by comparison to the rest of the market) evaluations for the investment, as well as a consideration of the potential investment within the portfolio of the Company and/or Managed Funds.

The Company may specify internal minimum financial criteria for any investment, for example, in relation to target IRR, cash equity multiples, current income return and debt service coverage ratios. The Company will also seek to minimise risk by careful monitoring of the relationship between the mezzanine debt and other creditors, and may set maximum senior debt levels and minimum equity subordination to collateral value levels, or require liens or pledges, corporate guarantees, or cash collateralisations. The Company may seek to encourage early repayment of any mezzanine debt through financial incentives, thus minimising the Company's exposure period.

The Company's due diligence may include the market and its financial projections, as well as reviews of taxation, collateral value, legal, insurance and so on and (in relation to debt facility lending) include an assessment of inter-creditor relationship. Once such work has been undertaken and the opportunity is at an advanced stage, it will be presented to the Board for consideration.

The Company will continue to monitor its investments for as long as it holds an interest in them. It may also require annual audited financial statements and quarterly unaudited financial statements from any investment for review and reassessment.

7. Seed Capital Investment

Derek Vago has invested (through a nominee company) £6,250,000 as seed capital and, in exchange for this seed capital, Derek Vago has received 12,500,000 Shares. Presidio Equity Partners 2005-1 LLC (in which Alan Braxton has an interest), SAS Acapace (in which François Georges has an interest) and Heiner Kamps have invested in aggregate the sum of £847,009 and, in exchange for this sum, these investors have received 1,694,018 Shares. The total of sums invested is, in aggregate, £7,097,009. These investors will have interests in, in aggregate, 14,194,018 Shares as at the date of this document.

These investors have undertaken with Collins Stewart in accordance with the AIM Rules that, save in limited circumstances or with the prior written consent of Collins Stewart, they will not dispose of any interest in Ordinary Shares held by them for the period of 12 months from Admission. These arrangements also include orderly market provisions for a further period of 12 months following the initial 12 month period.

8. Details of the Placing

The Placing comprises the issue by the Company of up to 50,000,000 Placing Shares, which will raise up to £50,000,000 (approximately £47,400,000 net of expenses payable by the Company).

The minimum consideration payable under the Placing by any underlying beneficial investor for the Shares is £50,000.

The Placing Agreement is conditional upon, *inter alia*, Admission taking place on or before 8.00 a.m. on 6 January 2006 (or such later date, being not later than 8.00 a.m. on 31 January 2006 as the Company and Collins Stewart shall agree).

Under the Placing Agreement, Collins Stewart has agreed conditionally, *inter alia*, on Admission to use its best endeavours to procure places for the Placing Shares at the Placing Price.

The Placing Agreement contains, subject to certain limitations (including as to the amounts of claims that may be made against the Company and the Directors), indemnities, warranties and undertakings from the Company and the Directors in favour of Collins Stewart together with provisions which enable Collins Stewart to terminate the Placing Agreement in certain circumstances prior to Admission. In addition, the Company is entitled to terminate the Placing Agreement upon notice to Collins Stewart no later than 5.30 p.m. on 21 December 2005 if subscribers for 50,000,000 Shares have not been procured by Collins Stewart by that time.

It is the Company's intention that the Company can exist for 18 months from Admission without making an investment before returning funds to its shareholders (subject to the shareholders in general meeting agreeing to extend such period).

9. Share Incentivisation and Remuneration

The Company recognises the need to incentivise the Directors, managers and employees properly and to align their interests with those of the shareholders of the Company. This is especially so since it is intended that the majority of the carried interests returns generated from the Managed Funds will flow to the Company and not to the individuals who are its investment fund managers.

The Company has the power under the Articles to issue and allot up to 6 million Shares during the 18 month period following Admission in order to attract identified and prospective key managers, employees and certain others to compensate these individuals for lost bonuses, options and other remuneration consequent upon their leaving their existing employment. The Shares may be issued at nominal value and are likely to have a lock-in period.

It is also proposed that a share based remuneration scheme be put in place for executive directors, management and employees, which will allow wealth creation for them on a long-term basis which is comparable in value to their peers in the private equity, hedge/alternative investment fund and the banking industries. For each of the first 3 years of the Company's operation, the Board will be able to award options to acquire shares equivalent to up to 10 per cent. of the then issued share capital. It is intended that such awards will be subject to an annual TSR and performance target of 12.5 per cent. for the given year (this includes dividends received and share capital appreciation based on market value). The options in the first three years will have nominal exercise prices. Entitlement to options will be in full if the annual TSR target of 12.5 per cent. is achieved and will decline on a straight-line basis to 50 per cent. at an annual TSR of 10 per cent., with no entitlement below that level. It is also intended that, should the target in a given year be missed, management and employees will have up to the relevant vesting period for those share options to achieve the return so long as the subsequent average (over the period) is the same. Options will only be exercisable

at the end of a 3 year period following the achievement of the performance target. Therefore, the earliest date on which the options can be exercised will be at the beginning of the fifth year of operation. This is intended to create a long term alignment between the Shareholders and the management team. The Board will review the maximum level of annual share based remuneration awards at the end of the Company's initial 3 year period of operation. The terms of the intended share based remuneration scheme will require the approval of Collins Stewart prior to its implementation by the Company.

The maximum levels of shares issuable to attract individuals to the Company and of share based remuneration awardable in the Company's initial 3 year period of operation are intended to be sufficient for the management team and employees required to enable the Company to achieve its stated financial goals as set out in this document. In order to achieve these financial goals the Company expects to require further funding, including additional capital. If the Company does not further increase its funding the Company will plan its recruitment accordingly and as such the level of shares and share-based remuneration actually issued would be less than the maximum amounts allowable.

Salaries for Directors (including Derek Vago), management and employees (other than support staff) will range from £100,000 to £200,000 annually with cash bonuses capped at 3 times salary. It is not anticipated that there will be any cash bonuses payable in the first year of operation. All management and employees will receive more than 50 per cent. of their total compensation in share options and, in the case of Derek Vago, this is expected to be at least 75 per cent. For example, it is anticipated that in the first year Derek Vago will receive share option-based remuneration to the value of £2,500,000 which will be subject to the performance targets and exercise periods referred to above. Thereafter, it is anticipated that Derek Vago will receive not less than 33 per cent. of all share option-based remuneration for the management team.

It is intended that following Admission, Derek Vago will enter into a service agreement, with the Company under which the notice period will accord with ABI guidelines.

The Company has agreed to indemnify Derek Vago in connection with any adverse UK tax consequences arising out of his investment of seed capital. The Company has been independently advised that there are good grounds to support the view that no UK tax liability should arise on the investment of seed capital.

The Company intends, following Admission to take out a Keyman Insurance policy in respect of Derek Vago up to the sum of £10,000,000.

10. Current Trading and Prospects

The Company has not traded since the date of its incorporation and its trading and prospects for the twelve months following Admission will be dependant on the Directors being able to identify and acquire suitable investments and successfully launch Managed Funds.

Based on the previous experience and track record of Derek Vago and the support to be provided by other members of the Board, the Directors view the prospects of the Company with confidence.

11. Financial Information

The Company's accounting reference date is 31 December. The first audited financial statements of the Company will be prepared for the period to 31 December 2006. These financial statements will be prepared in pounds sterling, the Company's reporting currency, in accordance with IFRS.

12. Dividend Policy

The Company would expect over time to be significantly cash generative following the successful establishment of its Managed Funds and the Directors intend, subject to satisfactory trading and the availability of distributable reserves, to implement an attractive dividend payment policy. The Directors expect to commence the payment of dividends in the year ending 31 December 2006 and, subject to trading and reserves as stated above, would seek to declare dividends for that year of 2 pence per Share and for the year ending 31 December 2007 of 6 pence per Share.

Following Admission, the Shares rank *pari passu* for all dividends or other distributions declared, paid or made in respect of the share capital of the Company.

13. Taxation

The following is based on the Company's understanding of certain aspects of the law and practice currently in force in Jersey and the United Kingdom. There can be no guarantee that the tax position or proposed tax position at the date of this document or at the time of an investment will endure indefinitely.

Investors should consult their professional advisers on the possible tax and other consequences of their subscribing for, purchasing, holding, selling or redeeming Shares under the laws of their country of incorporation, establishment, citizenship, residence and/or domicile or any other form of presence for tax purposes.

General

The information below, which relates only to Jersey and United Kingdom taxation, summarises the advice received by the Board and is applicable to the Company and to persons who are resident or ordinarily resident in Jersey or the United Kingdom for taxation purposes and who hold Shares as an investment. It is based on current UK and Jersey revenue law and published practice, respectively, which law or practice is, in principle, subject to any subsequent changes therein.

If you are in any doubt about your tax position, or if you may be subject to tax in a jurisdiction other than Jersey or the United Kingdom, you should consult your professional adviser.

Jersey

The Company

The Company is registered in Jersey as an exempt company and is, therefore, not liable to Jersey income tax on profits derived outside Jersey. Confirmation has been obtained from the Comptroller of Income Tax in Jersey that, by concession, the Company will only be liable to tax in Jersey in respect of income arising in Jersey other than bank interest income. It is not anticipated that any income other than bank interest income will arise in Jersey. A fee (currently £600 per annum) is payable to the Jersey Comptroller of Income Tax in respect of the Company's exempt status.

On 3 June 2003, the EU Council of Economic and Finance Ministers reached political agreement on the adoption of a code of conduct on Business Taxation. Jersey is not a member of the European Union. However, the Finance & Economics Committee of the States of Jersey has announced that, in keeping with Jersey's policy of constructive international engagement, it intends to propose legislation to replace the Jersey exempt company regime by the start of 2008 with a general zero rate of corporate tax.

On 3 June 2003 the Council of the European Union formally adopted Directive 2003/48/EC (the "EU Savings Tax Directive") regarding the taxation of savings income.

Jersey is not a member of the EU and therefore is not required to implement the EU Savings Tax Directive. However, in line with steps proposed by other relevant third party countries, Jersey has introduced a withholding tax system in respect of payments of interest, or other similar income, made to an individual beneficial owner resident in an EU Member State by a paying agent situated in Jersey (the terms "beneficial owner" and "paying agent" for this purpose are as defined in the EU Savings Tax Directive). The withholding tax system will apply for a transitional period prior to the implementation of a system of automatic communication to EU Member States of information regarding such payments. During this transitional period, such an individual beneficial owner resident in an EU Member State will be entitled to request a paying agent not to withhold tax from such payments but instead to apply a system by which the details of such payments are communicated to the tax authorities of the EU Member State in which the beneficial owner is resident. Under the withholding tax system in Jersey, the Company is not obliged to levy withholding tax in respect of interest payments made by it to a paying agent.

The EU Savings Directive was implemented in Jersey via the Taxation (Agreements with European Union Member States) (Jersey) Regulations 2005. Based on the provisions of these Regulations, bilateral agreements with each of the EU Member States and Guidance Notes issued by the Policy & Resources Committee of the States of Jersey, together with what is understood to be the current

practice of the Jersey tax authorities, any dividend distributions to shareholders by the Company and any income realised by shareholders upon the sale, refund or redemption of Shares do not constitute interest payments for the purposes of the withholding tax system and therefore neither the Company nor any paying agent appointed by the Company in Jersey is obliged to levy withholding tax in Jersey under those provisions in respect thereof.

To the extent that the Company makes distributions in the form of interest in the future, the obligations set out above may apply.

Shareholders

There is no capital gains tax, estate duty or inheritance tax in Jersey.

There is a statutory requirement for the Company to deduct income tax from dividends paid to Jersey residents and to account for such income tax deducted to the Comptroller of Income Tax. Furthermore, the Company is required to make a return to the Comptroller, on request, of the names, addresses and shareholdings of Jersey resident Shareholders.

No duties are payable on the issue or disposal of the Shares on the winding up of the Company. In the event of the death of a sole holder of Shares probate duty at a rate of up to 0.75 per cent. of the value of the Shares at the time of death is levied in Jersey on grants of probate and letters of administration, save where the condition for small estates exemption (not exceeding £10,000) are satisfied.

The attention of investors who are resident in Jersey is drawn to the provisions of Article 134A of the Income Tax (Jersey) Law 1961 which may, in certain circumstances, render such a resident liable to income tax on the undistributable income of the Company.

United Kingdom

The Directors intend that the affairs of the Company should continue to be managed and conducted so that it does not become resident in the United Kingdom for United Kingdom taxation purposes. Accordingly, and provided that the Company does not carry on a trade in the United Kingdom through a permanent establishment, the Company will not be subject to United Kingdom corporation tax or income tax on its profits. The Directors intend that, so far as this is within their respective control, the affairs of the Company are conducted so that these requirements are met. However it cannot be guaranteed that the necessary conditions for these requirements to be met will at all times be satisfied.

Certain interest and other income received by the Company which has a United Kingdom source may be subject to withholding taxes in the United Kingdom.

The arm's length fee paid to the UK subsidiary for its services to the Company will be subject to UK tax.

General

The receipt of dividends (if any) by Shareholders, the repurchase or transfer of Shares and any distribution on a winding-up of the Company may result in a tax liability for the Shareholders according to the tax regime applicable in their various countries of incorporation, establishment, residence, citizenship and/or domicile or any other form of presence for tax purposes. Shareholders resident in or citizens of certain countries which have anti-offshore Company legislation may have a current liability to tax on the undistributed income and gains of the Company. The Directors, the Company and each of the Company's agents shall have no liability in respect of the individual tax affairs of Shareholders.

14. Settlement, Dealings and Crest

The Company has, through Collins Stewart, applied for the entire issued share capital of the Company to be admitted to trading on AIM. It is expected that Admission will take place and that dealings in the Ordinary Shares of the Company will commence on AIM on 6 January 2006. The Placing Shares will be placed free of expenses and will rank *pari passu* in all respects with the Ordinary Shares of the Company which will be in issue on completion of the Placing, including the right to receive all dividends and other distributions declared, paid or made (after the date of allotment of the Shares) in respect of the share capital of the Company.

It is expected that definitive certificates in respect of the Ordinary Shares will be despatched by first class post by 20 January 2006. In respect of uncertificated securities, it is expected that applicants' CREST stock accounts will be credited on 6 January 2006.

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument. CREST is a voluntary system and applicants who wish to receive and retain certificates will be able to do so. The articles of association of the Company permit the holding of Ordinary Shares under the CREST system. The Company will apply for the entire issued share capital of the Company to be admitted to CREST on the date of Admission. It is expected that Admission will become effective and dealings in the Ordinary Shares will commence on 6 January 2006. Accordingly, settlement of transactions in the uncertificated Ordinary Shares following Admission may take place within the CREST system if any Shareholder so wishes.

15. Corporate Governance

The Directors recognise the importance of sound corporate governance and intend to ensure that, following Admission, the Company adopts policies and procedures which reflect such of the principles of Good Governance and Code of Best Practice as published by the Committee on Corporate Governance (commonly known as the "Combined Code") as are appropriate to the Company's size on Admission.

The Company has established, conditional on Admission, an Audit Committee and a Remuneration Committee, each with formally delegated duties and responsibilities. The Audit Committee comprises François Georges and Trevor Hunt and the Remuneration Committee comprises Alan Braxton and Andrew Duquemin. The Company has also established an Administration Committee, comprising Richard Boléat and Andrew Duquemin.

The Audit Committee will determine the terms of engagement of the Company's auditors and will determine, in consultation with the auditors, the scope of the audit. The Audit Committee will receive and review reports from management and the Company's auditors relating to the interim and annual accounts and the accounting and internal control systems in the Company. The Audit Committee will have unrestricted access to and oversee the relationship with the Company's auditors.

The Remuneration Committee will review the scale and structure of the executive Director's and senior employees' remuneration and the terms of their service or employment contracts, including share option schemes and other bonus arrangements. The remuneration and terms and conditions of the non-executive directors will be set by the Board. No Director or manager of the company may participate in any meeting at which discussion or any decision regarding his own remuneration takes place. The Remuneration Committee will also administer the proposed annual share option scheme referred to above, consistent with the terms set out in this document.

The Administration Committee will be responsible for the administration of the Company save to the extent that administration is delegated to the Corporate Administrator or other administrator, in which case, the Administration Committee will monitor the actions of its delegate to the extent required by law.

The Board intends to comply with Rule 21 of the AIM Rules relating to Directors' dealings as applicable to AIM companies and will also take all reasonable steps to ensure compliance by the Company's applicable employees and has adopted a share dealing code for this purpose.

16. Further Information

Your attention is drawn to the additional information set out in Parts 2 to 4 of this document.

PART 2

Risk Factors

Investors are referred to the risks set out below. No assurance can be given that Shareholders will realise a profit or will not avoid a loss on their investment. Investment in the Company is suitable only for persons who can bear the economic risk of a substantial or entire loss of their investment and who can accept that there may be limited liquidity in the underlying investments of the Company. The risks referred to below do not purport to be exhaustive and potential investors should review this document carefully and in its entirety and consult with their professional advisers before making an application for Shares.

No operating history

The Company was incorporated on 30 August 2005 and as at the date of Admission will not have made any acquisitions and will not have traded. The Company, therefore, has no operating history.

Prospective investments

No guarantee or representation is made that the Company will be successful. There is a risk that an investment in the Company will be lost entirely or in part. There can be no guarantee that the investments already identified (including the Managed Funds and the Strategic Platforms) will be available, nor that the Company will be able to identify suitable investments in the future in which to invest. There can be no assurance that the specific trading strategies utilised by the Company or the investments will produce profitable results. No assurance can be given that the techniques and strategies of any investment manager will be profitable in the future.

Dependence on underlying investments

Although the Company will attempt to monitor the performance of each investment company or other collective investment vehicle (collectively, "Investment Entities") it may invest in, the Company may not always receive perfect information regarding the actual investments made by the Investment Entities and must ultimately rely on (i) the investment manager or sponsor of each Investment Entity to operate in accordance with the investment strategy or guidelines laid out by such investment manager or sponsor, and (ii) the accuracy of the information provided to the Managed Funds by such investment manager or sponsor. If the investment manager or sponsor of an Investment Entity does not operate in accordance with the investment strategy or guidelines specified for such entity, or if the information furnished by an Investment Entity is not accurate, the Company might sustain losses with respect to its investment in such Investment Entity despite the Company's attempts to monitor such entity. In addition, privately offered or closed ended Investment Entities often have restrictions in their partnership agreements or other governing documents that would limit the Company's ability to withdraw funds from or invest in the entity. The Company's ability to withdraw funds from or invest funds in Investment Entities with such restrictions will be limited and such restrictions may limit the Company's flexibility to reallocate assets among other investments. The legal relationship between an investor in an underlying fund and the underlying fund itself, and the terms of the use of subscription monies by the underlying fund prior to allotment may vary depending on the constitutional documents of the underlying fund and applicable law.

Illiquidity of underlying investments

It may not always be possible for the Company to realise any investments made by it or it might take time for it to produce the realisation. Investments in Managed Funds are subject to a greater degree of illiquidity as there may be no market for trading in such investments, or it may not be possible to redeem such investment under the terms of the Managed Funds. The Company may also invest in the shares of small to medium sized companies the market for whose shares may be less tradeable than for larger companies.

Dependence on key personnel and Directors

The Company's performance is highly dependant on the ability of Derek Vago, the Directors and the key personnel identified in this document to select appropriate investments and to manage the Company and influence the management of any Investments. If any one of them (or more) ceased to provide his services to the Company, the business may be affected. Specifically, if Derek Vago ceased to provide his services for whatever reason to the Company, the business will be affected.

Past performance

The past performance of Derek Vago, the Directors or the key personnel identified in this document is not a guarantee of future performance by the Company.

Further equity issues

It is the Company's intention to raise further funds through further equity issues, and this will dilute a Shareholder's existing shareholdings in the Company. Please refer also to the Share Incentivisation and Remuneration arrangements detailed on page 13 which will have the effect of diluting a Shareholder's existing shareholdings in the Company.

Foreign Exchange risk

The Company may invest in countries other than in the United Kingdom, in assets denominated in currencies other than pounds sterling. The value of such investments may therefore be affected by fluctuations in foreign exchange rates. The Company may use, in some instances, hedging instruments.

No formal diversification policies

The Company is not restricted as to the percentage of its assets that may be invested in any particular instrument, market or asset class and investments may be heavily concentrated, at any time, in a limited number of markets. Investing in a limited number of instruments, markets or asset classes and investments may involve more risk than spreading the Company's investment through a diverse range instruments, markets or asset classes and investments.

Investments in junior mezzanine debt

Junior mezzanine debt will generally be subordinated to senior and senior mezzanine debt and therefore the rights of the creditor will rank lower than other creditors in the event of the borrower's insolvency. Although it is the Company's intention to provide junior mezzanine financing primarily to asset backed financings, the financings may in fact be unsecured. As a result, the provision of junior mezzanine debt may be considered more speculative than other types of debt financings.

Investments in senior mezzanine debt

Senior mezzanine debt will generally be subordinated to senior debt and therefore the rights of the creditor will rank lower than other creditors in the event of the borrower's insolvency. As a result, the provision of senior mezzanine debt may be considered more speculative than other types of debt financings.

Trading on AIM

The Shares may be traded on AIM. Investments in AIM are generally considered to be of higher risk than those traded on the Official List of the UK Listing Authority, because the regulatory regime applicable to AIM is less stringent than that for the Official List. The market for shares in smaller public companies, and those listed on AIM, may be less liquid than for larger public companies or those listed on the Official List. Investors should therefore be aware that an investment in the Company may be difficult to realise. In addition, investors must be aware that the share price of the Company, as for any publicly quoted company, may be volatile and go down as well as up.

General market risk

The Company and any of its investments may be affected by general market and economic trends which are unrelated to the performance of the Company itself.

Legal and regulatory risk

The Company and the investments it makes will be subject to various regulatory regimes and legal requirements, including tax, pensions and securities laws in various jurisdictions. If those laws or regulations change, the Company and the Shareholders may be adversely affected.

The business plan of the Company includes establishing a subsidiary in the UK to act as an investment advisor to the Company. To the extent that any activities planned to be undertaken by this subsidiary constitute regulated activities in the UK, the subsidiary will require authorisation by the FSA, be required to operate as an appointed representative of another FSA authorised entity, or to rely upon the availability of an exclusion from the requirements for authorisation under the Financial Services and Markets Act 2000. In the event that there are any changes to UK law or regulation or the UK subsidiary were to carry out activities which were beyond the scope of any available exclusion or exemption, both the Company and the Shareholders may be adversely affected and any contracts entered into may become unenforceable. If application is made for FSA authorisation, such authorisation may not be given or may be significantly delayed and it may not be possible to identify or agree terms with another FSA authorised entity in the interim period or as an alternative. Such delay or failure in obtaining FSA authorisation or inability to work under the supervision of another FSA authorised entity may restrict the activities planned to be undertaken by the Company's UK subsidiary, and this could negatively impact the Company's business plan. If the Company's UK subsidiary or any of its officers or employees undertake regulated business in the UK without suitable authorisation then each could suffer claims for damages and/or criminal sanction including fines and/or imprisonment, and all contracts entered into pursuant to such activities could be made void. This would impact negatively on the Company's reputation and, potentially, on its financial resources.

In addition, the Company is not and will not be registered under the United States Investment Companies Act of 1940, as amended. The Company has taken certain procedural steps to avoid any requirement to register as an investment company under this legislation and to enforce such procedures. However, there can be no guarantee that such steps will be in all cases effective or enforceable or that United States legislation will not change to the Company's detriment.

Changes in portfolio and strategy

The Directors are not limited to trading any specific instruments or pursuant to any specific investment or trading strategies. As a result, it is possible that the nature and character of the Company's and Strategic Platforms' and Managed Funds' investment portfolios may change substantially from time to time based upon the view of the Directors or that of the directors or managers of the relevant Strategic Platform of where opportunities exist in the global marketplace. Furthermore, as a result of the Company's investment strategy, the expenses, risks, volatility and returns to which the Company is subject, could vary significantly, from time to time, depending upon the investment strategies utilized by the Company at any particular time.

New strategies

While the Directors might develop new investment strategies in the future, any such strategies might not be thoroughly tested before being employed and might not, in any event, be successful. Were the Directors to attempt to implement new strategies, the risk/reward profile of the Company and/or the Strategic Platforms or Managed Funds could be shifted significantly towards increased levels of risk.

Use of leverage

The Company and Strategic Platforms and Managed Funds may use leverage to enable them to make investments substantially in excess of their equity. The Company and Strategic Platforms and Managed Funds reserve the right to use as much borrowing and leverage as permitted under applicable law and subject in the case of the Strategic Platforms and Managed Funds to the relevant investment limits and policies. Although such techniques increase the opportunity for a higher return on investment, they also increase the risk of loss.

The directors or managers of Strategic Platforms and Managed Funds may, from time to time, adjust leverage. Such adjustments may be in respect of certain markets or in respect of the Strategic Platform's and Managed Funds' overall investment portfolio. Factors which may affect the decision to adjust leverage include: ongoing research, volatility of individual markets, risk considerations, and the directors' subjective judgment and evaluation of general market conditions. Adjustments to leverage may result in greater profits or losses and increased brokerage costs. No assurance can be given that any leverage adjustment will be to the financial advantage of investors in the Company and Strategic Platform and Managed Fund.

Undervalued securities

One of the objectives of the Company is to invest in undervalued securities. The identification of investment opportunities in undervalued securities is a difficult task, and there can be no assurance that such opportunities will be successfully recognised. While investments in undervalued securities offer opportunities for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from the Company's investments may not adequately compensate for the business and financial risks assumed.

The Company make certain speculative investment sin securities which the Directors believe to be undervalued; however, there can be no assurance that the securities purchased will in fact be undervalued. In addition, the Company may be required to hold such securities for a substantial period of time before realising their anticipated value. During this period, a portion of the Company's capital would be committed to the securities purchased, thus possibly preventing the Company from investing in other opportunities. In addition, the Company may finance these purchases with borrowed funds and thus will have to pay interested on such funds during this waiting period.

Distressed and high yield securities

The Company and Strategic Platforms may invest in mezzanine of issuers in weak financial condition, experiencing poor operating results, needing substantial capital investment, perhaps having negative net worth, facing special competitive or product obsolescence problems or involved in or potentially facing bankruptcy or reorganisation proceedings. Investments of this type may involve substantial financial and business risks that can result in significant or even total losses. Among the risks inherent in investments in financially troubled issuers is the fact that it is frequently difficult to obtain reliable information as to their true financial condition. The market prices of distressed and high yield securities are subject to abrupt and erratic market movements and excessive price volatility. The spread between the bid and ask prices of such securities may be abnormally large, and the markets for such securities illiquid.

Changes in portfolio holdings and liquidity of interests

The relative portfolio holdings of the Company may be altered from time to time due to certain events. As a result, the illiquid portions of the Company's portfolios may, at times, constitute a substantial portion of the Company's overall holdings, and therefore, make liquidation of the Company's holdings more difficult.

Participation on creditors' committees and boards of directors

Although not presently contemplated, from time to time the Managed Funds may participate in committees formed by creditors to negotiate with the management of financially troubled companies that may or may not be in bankruptcy. The Strategic Platforms may also seek to negotiate directly with debtors with respect to restructuring issues. In the situation where the Company or a Strategic Platform chooses to join a creditors' committee, the relevant Strategic Platform would likely be only one of many participants, each of whom would be interested in obtaining an outcome that is in its individual best interest. There can be no assurance that the Strategic Platform would be successful in obtaining results most favourable to them in such proceedings, although the Strategic Platform may incur significant legal fees and other expenses in attempting to do so. As a result of participation by the Company or Strategic Platforms on such committees, the Strategic Platforms may be deemed to have duties to other creditors represented by the committees, which might thereby expose the Strategic Platforms to liability to such other creditors who disagree with the Strategic Platforms' actions.

Participation in restructuring activities frequently provides the participant with material non-public information that may restrict the Company's ability to trade in that company's securities. Determination of whether information is material and non-public and how long knowledge of such information restricts trading is a matter of considerable uncertainty and judgment. While the Company intends to comply with all applicable securities laws and to make judgments concerning restrictions on trading in good faith, the Company may trade in a company's securities while engaged in restructuring activities relating to that company. This trading creates a risk of litigation and liability that may cause the Company to incur significant legal fees and potential losses.

Interests of the Company and reporting obligations

The Directors may hold substantial interests in investments, in relation to which the Company is subject to disclosure obligations, failure to comply with which may give rise to penalties.

Derivative instruments

The Company or Strategic Platforms or Managed Funds may make extensive use of various derivative instruments, such as swaps, caps, warrants, options and forward contracts. The use of derivative instruments involves a variety of material risks. These risks include the high degree of leverage which can be embedded in such instruments, a risk which can be materially increased by the limited liquidity which often characterises the derivatives markets. The pricing relationships between derivatives and the underlying instruments on which they are based also may not conform to anticipated or historical correlation patterns, resulting in unanticipated losses. In addition, some of the derivatives traded by the Directors or the directors or managers of the Strategic Platforms may be over-the-counter instruments (contracts) between the Company or Strategic Platforms or Managed Funds and third parties. The Company or the Strategic Platforms or Managed Funds may place collateral with certain of their counterparties in connection with their over-the-counter transactions. Although the Company will principally engage in such transactions with money centre financial institutions, it is still subject to the risk of loss of such collateral as the risk of counterparty non-performance can be significantly greater in the case of these over-the-counter instruments (contracts) as opposed to exchange-traded derivative instruments. Furthermore, "bid-ask" spreads may be unusually wide in the substantially unregulated over-the-counter markets.

Short sales

The Company may sell securities short as an aspect of its trading strategy. Since the borrowed securities sold short must later be replaced by market purchases, any appreciation in the price of the borrowed securities results in a loss. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. Furthermore, a short seller may be prematurely forced out of a position if the lender from which the short seller borrowed stock, in order to effect settlement of a short sale, recalls such stock under circumstances in which such stock cannot be borrowed from other sources.

The value of such assets may be affected (favourably or unfavourably) by fluctuations in currency rates.

Repurchase and reverse-repurchase agreements

The Company or Strategic Platforms or Managed Funds may use repurchase and reverse-repurchase agreements, which involve certain risks. For example, if the seller of securities under a repurchase agreement defaults on its obligation to repurchase the underlying securities, as a result of its bankruptcy or otherwise, the Company will seek to dispose of such securities, which action could involve costs or delays. If the seller becomes insolvent and subject to liquidation or reorganisation under applicable bankruptcy or other laws, the Company's or Strategic Platforms' or Managed Funds' ability to dispose of the underlying securities may be restricted. Finally, it is possible that the Company or Strategic Platforms or Managed Funds may not be able to substantiate their interest in the underlying securities. If the seller fails to repurchase the securities, the Company or Strategic Platforms or Managed Funds may suffer a loss to the extent proceeds from the sale of the underlying securities are less than the repurchase price. Similar elements of risk arise in the event of the bankruptcy or insolvency of the buyer.

Suspensions of trading

Each exchange typically has the right to suspend or limit trading in the securities it lists. Such a suspension could render it impossible for the Company to liquidate their positions and thereby expose them to losses. In addition, there is no guarantee that non-exchange markets will remain liquid enough for the Company and Strategic Platforms and Managed Funds to close out positions they hold on such markets.

Commissions and expenses

The Company is obliged to pay brokerage commissions and related transaction fees and costs, which can be substantial, regardless of whether their trading activities are profitable. The Company must also pay its own fees and operating and administrative expenses. It will be necessary for the Company to achieve gains in excess of these aggregate fees and costs in order for Shareholders to realise an increase in the net asset value of their Shares. There can be no assurance that the Company will be able to achieve such, or any, appreciation of its assets.

Litigation

The Company's investment activities are subject to the normal risks of becoming involved in litigation by third parties. The expense of defending against claims by third parties and paying any amounts pursuant to settlements or judgments may have to be borne by the Company. In addition, certain of the Company's strategies may be subject to claims for the return of profits or the recovery of losses on the basis of certain statutory, regulatory or administrative entitlements or prohibitions.

Withholding tax considerations

The Company may invest in securities that are subject to withholding tax on income and/or gains. Although the Company will seek to structure its investments in order to minimise such withholding tax there can be no assurance that the Company will be able to achieve this.

Where the Company invests in securities that are not subject to withholding tax at the time of acquisition, there can be no assurance that tax may not be withheld in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. Typically, the Company will not be able to recover such withheld tax and so any change would have an adverse effect on the net asset value of the Shares. Where the Company sells securities short that are subject to withholding tax at the time of sale, the price obtained will reflect the withholding tax liability of the purchaser. In the event that in the future such securities cease to be subject to withholding tax, the benefit thereof will accrue to the purchaser and not to the Company.

Conflict of interest

The Company may be involved in other financial, investment or professional activities which may on occasion give rise to conflicts of interest with the Company. In particular, the Company may provide investment management advice or other services in relation to a number of funds which may have similar investment policies to that of the Company.

Profit sharing

In addition to receiving an annual management fee from a Managed Fund through the general partner and investment adviser, the Company may also receive a performance fee based on the appreciation in the net asset value of a Managed Fund and accordingly the performance fee will increase with regard to unrealised appreciation, as well as realised gains. The performance fee may create an incentive for the Company to make investments for the relevant Managed Fund which are riskier than would be the case in the absence of a fee based on the management of the Managed Funds.

UK taxation

The Directors intend that the Company will continue to be managed and controlled in such a way that it should not be resident in the United Kingdom for United Kingdom tax purposes. Accordingly, and provided that the Company does not carry on a trade in the United Kingdom through a permanent establishment, the Company will not be subject to United Kingdom income

tax or corporation tax on its profits other than on any United Kingdom source income, although the arm's length fee paid to the UK subsidiary for its services to the Company will be subject to tax. The precise amount of this fee will depend on the nature of the services provided and may be the subject of negotiations with HM Revenue and Customs.

Debt Warehouse Facilities

The Company may not be able to put in place at the appropriate time any debt warehouse facilities to be utilised to lever assets as outlined in this document.

Profitability

The profitability of the Company may be affected by any delay in implementation of the business plan of the Company, an increase in interest rates and overheads being higher than anticipated (as a result of more employees being required, greater travel costs and abortive deal costs and so on).

IRR

Certain of the references to IRR in this document are projected and not actual and certain are based on the reasonable belief of the Directors.

PART 3

Accountants' Report on the Company

RSM! Robson Rhodes

186 City Road, London EC1V 2NU

The Directors
ACP Capital Limited
Victoria Chambers
Liberation Square
1/3 Esplanade
St Helier
JE4 0FF

The Directors
Collins Stewart Limited
9th Floor
88 Wood Street
London EC2V 7QR

20 December 2005

Dear Sirs

ACP CAPITAL LIMITED (the "Company")

Introduction

We report on the financial information relating to the Company, as set out below, prepared for inclusion in the Admission Document dated 20 December 2005 of the Company (the "Admission Document") relating to the admission of the Company's share capital to trading on AIM, a market operated by London Stock Exchange plc. This financial information has been prepared for inclusion in the Admission Document and is based on the transactions of the company from incorporation on 30 August 2005 to 20 December 2005. This report is required by paragraph a) of Schedule Two to the AIM Rules and is given for the purpose of complying with that requirement and no other purpose.

Responsibility

The Directors of the Company are responsible for preparing the financial information in accordance with International Financial Reporting Standards ("IFRS").

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

Basis of opinion

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

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

Opinion

In our opinion, the financial information gives, for the purposes of the Admission Document dated 20 December 2005 a true and fair view of the state of affairs of the Company as at the date stated in accordance with IFRS.

Financial information

The Company was incorporated on 30 August 2005. The Company has not completed its first accounting period. No statutory financial statements have been prepared, audited or filed since its incorporation.

The authorised share capital of the Company on incorporation was £10,000. The authorised share capital was increased to £6,250,000 by a special resolution of the members of the Company on 5 December 2005 and to £6,350,000 by a special resolution of the members of the Company on 14 December 2005.

On 6 December 2005, 6,250,000 Ordinary Shares of £1.00 were issued to Langtry Trust Company (Channel Islands) Limited (the “Old Shares”). On 14 December 2005 2 Ordinary Shares of 0.1p were issued to LN Limited (the “Voting Shares”). On 14 December 2005 12,500,000 Ordinary Shares of 0.1p were issued to LN Limited at a price of 50p per share (the “New Shares”).

On 14 December 2005, the Old Shares were bought back by the Company in accordance with the Companies Law and the Voting Shares were surrendered to the Company in accordance with the Company’s Articles of Association. On 14 December 2005, by the cancellation of the Old Shares, the Company’s authorised share capital was reduced to £100,000 comprising 100 million Ordinary Shares of 0.1p each.

On 19 December 2005, a total of 1,694,018 Ordinary Shares of 0.1p were issued to Presidio Equity Partners 2005-1 LLC, SAS Acapace and Heiner Kamps at a price of 50p per share.

As at today’s date, the Company has carried out no trading.

Declaration

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

Yours faithfully

RSM ROBSON RHODES LLP

PART 4

Additional Information

The information in this section includes a summary of some of the provisions of the Memorandum and Articles of Association and material contracts described below and is provided subject to the general provisions of each of such documents.

1. Responsibility

To the best of the knowledge of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and there is no information the omission of which is likely to affect the import of such information. The Directors, whose names, functions and business addresses are set out on page 5 of this document, accept responsibility individually and collectively accept responsibility for the information contained in this document.

2. Incorporation and Administration

The Company was incorporated with limited liability in Jersey on 30 August 2005 as a closed-ended investment company under the Companies Law with registered number 91066. The registered office of the Company is at Victoria Chambers, Liberation Square, 1/3 Esplanade, St. Helier, Jersey JE4 0FF. The Directors confirm that the Company has not traded and no accounts of the Company been made up since its incorporation on 30 August 2005. The Company's accounting period will terminate on 31 December of each year, with the first year ending on 31 December 2006.

Save for its entry into the material contracts listed in this Part 4 of the document and certain non-material contracts, since its incorporation the Company has not carried on business nor incurred borrowings. Changes in the authorised and issued share capital of the Company since incorporation appear in section 2 below.

RSM Robson Rhodes LLP has been the only auditor of the Company since its incorporation. The annual report and accounts will be prepared according to IFRS.

The Company has no administrative management or supervisory bodies other than the Board, the Remuneration Committee and the Audit Committee, both of which have no members other than the Directors. Details of the constitution and composition of the Remuneration Committee and the Audit Committee are set out in Part 1 of this document.

The Company will have no subsidiary undertakings on Admission.

3. Share Capital

The authorised share capital of the Company on incorporation was £10,000. The authorised share capital was increased to £6,250,000 by a special resolution of the members of the Company on 5th December 2005 and to £6,350,000 by a special resolution of the members of the Company on 14 December 2005.

On 6 December 2005, 6,250,000 Ordinary Shares of £1.00 were issued to Langtry Trust Company (Channel Islands) Nominees Limited (the "Old Shares"). On 14 December 2005 2 Ordinary Shares of 0.1p were issued to LN Limited. On 14 December 2005 12,500,000 Ordinary Shares of 0.1p were issued to LN Limited at a price of 50p per share (the "New Shares").

On 14 December, the Old Shares were bought back by the Company in accordance with the Companies Law and the voting shares were surrendered to the Company in accordance with the Company's Articles of Association. On 14 December 2005, by the cancellation of the Old Shares, the Company's authorised share capital was reduced to £100,000 comprising 100 million Ordinary Shares of 0.1p each.

On 19 December 2005, a total of 1,694,018 Ordinary Shares of 0.1p were issued to Presidio Equity Partners 2005-1 LLC, SAS Acapace and Heiner Kamps at a price of 50p per share.

The issued share capital of the Company as at the date of this document is £14,194.02.

On the assumption that all of the Ordinary Shares available under the Placing are fully taken up, the anticipated issued share capital of the Company will be £64,191,018 immediately following completion of the Placing.

In accordance with the power granted to the Directors by the Articles, it is expected that the Shares will be allotted pursuant to a resolution of the Board to be passed on or about 19 December 2005 conditional upon Admission. The allotment of such Shares will not be made on a preemptive basis.

Subject to the exceptions set out in the section "Transfer of Shares" in section 4 below, Ordinary Shares are freely transferable and Shareholders are entitled to participate (in accordance with their rights specified in the Articles of Association) in the assets of the Company attributable to their Shares in a winding up of the Company or a winding up of the business of the Company.

Save as disclosed in this section 3, since the date of its incorporation, no share or loan capital of the Company has been issued or agreed to be issued, or is now proposed to be issued, either for cash or any other consideration and no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any such capital. No share or loan capital of the Company is under option or has been agreed, conditionally or unconditionally, to be put under option.

All of the Shares will be in registered form and eligible for settlement in CREST. Temporary documents of title will not be issued.

4. Memorandum and Articles of Association

Memorandum of Association

In accordance with the Companies Law, the Memorandum of Association of the Company does not contain an objects clause. The Company intends to carry on the business of an investment holding and management company.

Articles of Association

The Company's articles of association (the "Articles") were adopted pursuant to a special resolution of the Company passed on 19 December 2005. The Articles contain (among others) provisions to the following effect:

Voting

Subject to any rights or restrictions as to voting attached to any class of shares at any general meeting:

- (i) on a show of hands every member who is present in person and every person present who is the duly authorised representative of one or more corporations shall have one vote; and
- (ii) on a poll every member who is present in person or by proxy has one vote for every share of which he is the holder.

A member is not entitled to vote if any calls or other monies due in respect of his shares remain unpaid and a shareholder may be disenfranchised where he, or a person appearing to be interested in shares fails to comply with a notice from the Company requiring him to indicate the capacity in which he holds such shares or any interest in them.

Dividends and distributions

Dividends may be declared by ordinary resolution but shall in no event exceed the amount recommended by the Directors.

Subject to the rights of persons (if any) entitled to shares with special dividend rights, all dividends will be paid according to the amounts paid up (otherwise than in advance of calls) on the nominal value of the shares on which the dividend is paid.

The Directors may from time to time pay to the members such interim dividends as appear to them to be justified by the profits of the Company. If any member shall be in default in supplying to the Company any information required by any notice given pursuant to Article 44 of the Articles, the Directors, provided the relevant shares represent at least 0.25 per cent in nominal value of the issued shares of their class at the date of the notice, may by notice to such member direct that any dividend

(or any part thereof) or other monies payable on such shares (except on a winding up of the Company) shall be retained by the Company which shall have no obligation to pay interest and that any right to receive any additional shares in the Company in lieu of any dividends in accordance with the articles shall be of no effect.

On a winding up of the Company, the Company's assets available for distribution shall be divided among the members in proportion to the nominal amounts of capital paid up or credited as paid up on the shares held by them, subject to the terms of issue of or rights attached to any shares.

Unclaimed dividends

Any dividends unclaimed may be used for the benefit of the Company until claimed. Any dividend which is still unclaimed twelve years after having become due for payment shall be forfeited and shall revert to the Company.

Untraced shareholders

The Company may sell any shares in the Company of a member who is untraceable if, during a period of twelve years:

- (i) no cheque order or warrant addressed to the member or the person entitled to such shares by transmission has been cashed;
- (ii) no communication has been received from such member or any person entitled to the shares by transmission;
- (iii) the Company has paid at least three cash dividends (whether interim or final) and no such dividend has been claimed; and
- (iv) the Company gives notice to the London Stock Exchange and in both a national newspaper and a newspaper circulating in the area where the member's last known address is located of its intention to sell.

Variation of rights

If at any time the capital of the Company is divided into different classes of shares, all or any of the rights or privileges attached to any class of share may be varied or abrogated in such manner (if any) as may be provided by such rights, or, in the absence of any such provision, with the consent in writing of the holders of three-quarters of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of that class.

Alteration of capital

The Company may by ordinary resolution:

- (i) increase its share capital;
- (ii) consolidate and divide all or any of its share capital;
- (iii) cancel any shares which at the date of passing of the resolution have not been taken, or agreed to be taken, by a person and diminish the amount of its capital by the amount of shares so cancelled; and/or
- (iv) subject to the Companies Law sub-divide its shares or any of them into shares of smaller amounts.

The Company may by special resolution reduce its share capital or any capital redemption reserve or share premium account or other undistributable reserve in any manner and with and subject to any conditions, authorities and consents required by law.

Transfer of shares

All transfers of certificated shares shall be effected by instrument in writing, in any usual or common form or in any other form acceptable to the Directors and shall be signed by or on behalf of the transferor and, if the share is partly paid, by the transferee. Uncertificated shares may be

transferred in accordance with the Uncertificated Securities Order and the facilities and requirements of the relevant scheme concerned. The Directors may, in their absolute discretion and without assigning any reason therefore, decline to register any transfer of a share:

- (i) to more than four joint holders;
- (ii) where the share is not fully paid, provided that such action does not prevent dealings in the shares from taking place on an open and proper basis;
- (iii) on which the Company has a lien;
- (iv) which is in respect of more than one class of share;
- (v) which has not been duly stamped (if so required by law); and
- (vi) which has not been delivered for registration or is not supported by evidence of transfer of title.

In respect of shares held in certificated form (and in respect of shares held in uncertificated form to the extent compatible with the CREST Regulations), the Board may refuse to register any transfer of shares, or may require the transfer of shares owned or which appear to be owned directly by any person who, by virtue of his holding, may in the opinion of the Directors give rise to a breach of any applicable law or requirement in any jurisdiction or may cause or be likely to cause the Company or shareholders of the Company some legal, pecuniary or material disadvantage or cause or be likely to cause the assets of the Company to be considered “plan assets” within the meaning of the regulations adopted under the United States Employee Retirement Income Security Act of 1974, as amended, or which holding would or might result in the Company being required to register or qualify under the United States Investment Company Act of 1940 or other US law or if the Directors consider that the continued investment by such shareholder would contravene the criteria for eligibility for investing in the Company determined by Directors from time to time.

Disclosure of interest in shares

Under the Articles, a shareholder is required to notify the Company when he acquires an interest in, or ceases to have an interest in, shares equal to 3 per cent or more of the Company’s share capital. A further obligation for the shareholder to notify the Company will arise, once this threshold is reached, for each transaction that either increases or decreases the shareholders’ interest in the Company through a whole percentage point.

Directors

- (i) Unless otherwise determined by ordinary resolution, the number of the Directors shall not be less than two.
- (ii) A majority of the Directors shall not be resident in the United Kingdom. Meetings of Directors shall only be held in a jurisdiction such that their meeting will not constitute a place of business in that jurisdiction.
- (iii) Each of the Directors is entitled to receive, by way of ordinary remuneration for his services in each year, such sum as the Board may determine, provided that such fees shall not exceed in aggregate £150,000 per annum or such larger amount as the Company may by ordinary resolution decide. The Directors are also entitled to be repaid all travelling, hotel and other expenses necessarily incurred by them in or about the performance of their duties as Directors. The Board may also grant additional special remuneration to any Director who, being called upon, performs any special duties outside his ordinary duties as a Director.
- (iv) A Director shall not be disqualified from his office by contracting with the Company, nor is any contract or arrangement entered into on behalf of the Company in which any Director is in any way interested liable to be avoided, nor is any Director so contracting or being so interested liable to account to the Company for the profit realised thereby, but the nature of his interest must be declared by the Director at a meeting of the Company Board.
- (v) Save as provided below, a Director may not vote in respect of any contract or arrangement or any other proposal in which he has any material interest otherwise than by virtue of his interest in shares or debentures or other securities of, or otherwise in or through, the Company. A Director will not be counted in the quorum for a meeting in relation to any resolution on which he is debarred from voting.

- (vi) A Director shall (in the absence of a material interest other than those indicated below) be entitled to vote (and be counted in a quorum) in respect of any resolution concerning any of the following matters:
 - (a) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries;
 - (b) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
 - (c) any proposal concerning an offer of shares or debentures or other securities in or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;
 - (d) any proposal concerning any other company in which he is interested directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided that he is not the holder of a beneficial interest in one per cent or more of any class of share capital of such company or of the voting rights available to the members of the relevant company;
 - (e) any proposal concerning the adoption, modification or operation of a superannuation fund or retirement, death or disability benefit scheme which is approved by or subject to the approval of the Inland Revenue or relating to any arrangement for the benefit of employees generally which does not accord to him as a Director any privilege or advantage not generally accorded; or
 - (f) any proposal concerning the purchase and/or maintenance of an insurance policy under which a Director may benefit.
- (vii) There is no requirement for Directors to hold qualification shares.
- (viii) The articles do not specify any age limit for Directors, who may remain in office when they are over 70. However, any Director who reaches the age of 70 shall retire and, if willing to act, must seek re-appointment at each subsequent annual general meeting.
- (ix) One third of the Directors must retire at each annual general meeting. The Directors to retire on each occasion will include those who held office at the preceding two annual general meetings and who did not retire by rotation at either of them and also, so far as necessary to obtain the number required, those who wish to retire and those longest in office. A Director who retires, if willing to act, may be reappointed.

General meetings

The Company shall hold an annual general meeting within 15 months of the last annual general meeting of the Company. All general meetings other than annual general meetings shall be called extraordinary general meetings.

The Board may convene an extraordinary general meeting whenever it thinks fit and shareholders may convene an extraordinary general meeting in accordance with the Companies Law.

An annual general meeting, and an extraordinary general meeting convened for the passing of a special resolution or a resolution of which special notice has to be given, shall be convened by at least 21 clear days' notice. All other extraordinary general meetings shall be convened by at least 14 clear days' notice.

The notice shall specify the place, day and time of the meeting together with the general nature of the business to be transacted at the meeting. The notice may also specify the time by which a person must be entered on the Register of Members in order for such a person to have the right to attend and vote at the meeting. No business shall be transacted at a general meeting unless at least two people entitled to attend and vote are present.

Powers of borrowing and mortgaging

The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge the whole or any part of its undertaking, property and assets and uncalled capital, and to issue debentures and other securities. The Directors must ensure that the aggregate amount for the time being of all borrowing of the Company and its subsidiaries less the group's cash deposits and liquid resources (as defined) (other than owing by the Company and any of its subsidiaries in respect of intra group borrowings) does not at any time, without the previous sanction of an ordinary resolution of the Company, exceed an amount equal to three times the "adjusted equity shareholders' funds" (as defined in the Articles).

5. Directors' and Other Interests

5.1 In so far as is known to the Company, the interests of each Director including any connected person, the existence of which is known to, or could with reasonable diligence be ascertained by, such Director whether or not held through another party, in the share capital of the Company, together with any options in respect of such capital immediately following the Placing, are set out below. All such Shares allotted and issued will be beneficially held by such Directors unless otherwise stated.

<i>Name</i>	<i>Prior to Admission</i>		<i>Following Admission</i>		
	<i>Number of Ordinary Shares</i>	<i>Percentage of issued share capital</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of issued share capital</i>	<i>Number of shares under Option</i>
Derek Vago*	12,500,000	88.07	12,500,000	19.472	N/A
Heiner Kamps	675,068	4.755	675,068	1.0516	N/A
François Georges**	675,068	4.755	675,068	1.0516	N/A
Alan Braxton***	343,882	2.42	343,882	0.535	N/A
Trevor Hunt	N/A	N/A	N/A	N/A	N/A
Richard Boléat	N/A	N/A	50,000	0.08	N/A
Andrew Duquemin	N/A	N/A	N/A	N/A	N/A

* Through a nominee company, LN Limited

** By virtue of his interest in SAS Apace

*** By virtue of his interest in Presidio Equity Partners 2005-1 LLC

Save for the interests of Directors disclosed in this paragraph 5.1, as at the date hereof, in so far as is known to the Company, no person is or will, immediately following the Placing, be directly or indirectly interested in 3 per cent, or more of the Company's share capital.

- 5.2 Richard Boléat is also a director of the Corporate Administrator and the Company Secretary. Trevor Hunt is also a director of the Corporate Administrator.
- 5.3 None of the Directors/Shareholders referred to above has shareholder voting rights which are different from other holders of Ordinary Shares.
- 5.4 The aggregate remuneration and benefits in kind of the Directors in respect of the Company's accounting period ending on 31 December 2006 which will be payable out of the assets of the Company are not expected to exceed £250,000. Richard Boléat and Trevor Hunt will receive remuneration pursuant to the Company Administration Agreement referred to in paragraph 6.6 below. Other than as stated above, none of the Directors will receive annual remuneration, beyond expenses.
- 5.5 None of the Directors, except for Derek Vago, will have a service contract with the Company.
- 5.6 François Georges was appointed pursuant to letter of appointment dated 19 December 2005. His appointment is for an initial period of one year and may be terminated by either the Company or François Georges serving three months written notice on the other at any time. No director's fees are to be paid to François Georges during the initial three year period of his appointment. Reasonable and proper expenses incurred by François Georges in connection with the performance of his duties are to be reimbursed by the Company.

- 5.7 Alan Braxton was appointed pursuant to the letter of appointment dated 19 December 2005. His appointment is for an initial period of one year and may be terminated by either the Company or Alan Braxton serving three months written notice on the other at any time. No director's fees are to be paid to Alan Braxton during the initial three year period of his appointment. Reasonable and proper expenses incurred by Alan Braxton in connection with the performance of his duties are to be reimbursed by the Company.
- 5.8 Heiner Kamps was appointed pursuant to the letter of appointment dated 19 December 2005. His appointment is for an initial period of one year and may be terminated by either the Company or Heiner Kamps serving three months written notice on the other at any time. No director's are to be paid to Heiner Kamps during the initial three year period of his appointment. Reasonable and proper expenses incurred by Heiner Kamps in connection with the performance of his duties are to be reimbursed by the Company.
- 5.9 Andrew Duquemin was appointed pursuant to the letter of appointment dated 19 December 2005. His appointment is for an initial period of one year and may be terminated by either the Company or Andrew Duquemin serving three months written notice on the other at any time. A director's fee of £10,000 per annum is payable to Andrew Duquemin. Reasonable and proper expenses incurred by Andrew Duquemin in connection with the performance of his duties are to be reimbursed by the Company.
- 5.10 No loan has been granted to, nor any guarantee provided for the benefit of, any Director by the Company.
- 5.11 Except as disclosed in paragraph 5.2 above, none of the Directors has, or has had, an interest in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company or which has been effected by the Company since its incorporation.
- 5.12 In addition to their directorships of the Company, the Directors hold or have held the following directorships, and are or were members of the following partnerships, over or within the past five years:

<i>Name, Age</i>	<i>Current directorship/partnerships</i>	<i>Past directorships/partnerships</i>
Derek Vago		Barrett Brothers (London) Limited Clarion Events Limited Earls Court Limited Earls Court & Olympia Catering Company Limited Earls Court & Olympia Group Limited Earls Court & Olympia Group Pension Earls Court & Olympia Holdings Limited Earls Court & Olympia Limited Earls Court & Olympia Management Limited Earls Court Property Limited Earls Court Realty Limited Earls Court Real Estate Limited ECANDO Systems Limited Femston Limited Olympia Conferences Limited Olympia Exhibitions Limited Olympia Limited Olympia Property Limited Opex Exhibitions Limited Spare Propco Limited

<i>Name, Age</i>	<i>Current directorship/partnerships</i>	<i>Past directorships/partnerships</i>
Derek Vago (continued)		St James Capital Casino & Hospitality Limited St James Capital ECO Holdings Limited St James Capital G Gate Property Limited St James Capital Olympia Two Limited St James Capital Seagrave Road Limited The Environment, Wildlife and Conservation Exhibition and Conference Limited Trustees Limited
Heiner Kamps	Ace Group International Limited Assethost Limited BHV GmbH Chainbrick Limited Kamps Airplane GmbH Kamps Food Retail Service Holding GmbH Swiss Private Office Switzerland Limited	
François Georges	Acapace S.A. Acapace Conseil SNC Aegide Promotion Investissement SARL Green Participation S.A. Green Buyco BV Hotel du Golf-Arcs 1850 SNC PV Management 1 Limited	Pierre et Vacances S.A. SITI S.A.
Alan Braxton	Presidio Partners LLC Presidio Equity Partners 2005-1 LLC Real Estate Advisory Council	
Trevor Hunt	Capita Financial (CI) Limited CF IM Offshore Funds Limited Purissima Investment Fund (CI) Limited KIC Delta Limited KIC Global Strategy Fund Limited KIC Fund Managers(Guernsey) Limited Wellington Partners iii Management Limited Wellington Partners iii Technology Special (GP) Limited	HSBC Fund Administration (Guernsey) Limited KIC Global Technology Fund Limited The Arab Islamic Equity Fund Limited Shamil Asset Management International (Channel Islands) Limited HSBC Republic Turkey Fund PCC Limited Bank Leumi (Jersey) Limited LeggMason Investors Jersey Limited Sunbank Offshore Limited Magellan Emerging Markets Limited Magellan Emerging Markets Management (Jersey) Limited Troy Fund PCC Limited Finans Management (Guernsey) Limited

<i>Name, Age</i>	<i>Current directorship/partnerships</i>	<i>Past directorships/partnerships</i>
Richard Boléat	Channel House Trustees Limited	Bespoke (UKFS) Films Limited
	Channel House Trustees (London) Limited	Greenbriar Enterprises Limited
	Braltrust Limited	Briar Property Management Limited
	Channel House Capital Markets Limited	Woodbine Properties Holdings Limited
	Channel House Financial Services Group Limited	High Definition Films No 2 Limited
	Global Wealth Management Trust Company (Jersey) Limited	Toros H B Limited
	GWM Secretaries Limited	Starcrest Holdings Limited
	Channel House Fund Administration Limited	Starcrest Investments Limited
	CHT (Milano) SRL	Anila Yachts Limited
	Channel House Films Limited	Starcrest Properties 1 Limited
	Channel House EP Limited	SFI Management Limited
	Channel House Investments Limited	Teal Holdings Limited
	Channel House Secretaries Limited	Harmony House Limited
	G.S.N. Limited	Seafood Trading Limited
	L.N. Limited	Biriatou Limited
	Amaldy Holdings Limited	Camelot Limited
	Tuninvest International Limited	Company One Limited
	Tuninvest Investments Limited	Moorcreek Limited
	Maghreb Management Limited	Steel Finance Limited
	Maghreb Private Equity Fund Limited	Remus Holdings Limited
	Gulf Venture Capital Limited	Altamar Limited
	Cape Sable Holdings Limited	G.F. Shui (B.V.I.) Ltd.
	Siebel Systems (Jersey) Limited	Lisfinny Limited
	Investment Property Databank Employees (Trustees) Limited	Moja Trading Limited
	Corporate Advisors (Jersey) Limited	Industrial European Trading Company Limited
	Corporate Advisors (UK) Limited	Ivoryheights Holdings Limited
	High Definition Films (Jersey) Limited	Les Mouettes Limited
	UK Film Services (Jersey) Limited	Midia Limited
	Great Burgh Employee Investment Company I	Regent Development Associates Limited
	Great Burgh Employee Investment Company II	Senna Holdings Limited
	Neat Investments Limited	Siam Holdings Limited
	Aldwych Spain S.L.	Wyndham Ventures Limited
	Eurasia Capital Partners Europe Limited	Zancara (Scotland) Limited
	Ambrosius Limited	Excelsior Limited
	Tudor Employees Nominees Limited	Malek Limited
	Marita Investments Limited	Valkyrie 2000 Limited
		Sapphire Enterprises Limited
		Rostrum Aircraft Limited
		Certum Limited
		Edison Properties Limited
		Aircraft Consulting Group (Jersey) Limited
		Ensemble Holdings Limited
		Anambus Holdings Limited
		Hay Hill Norwich Limited
		Checkerline Design Limited
		Kaiser Air (Jersey) Limited
		Czar Aviation Limited

<i>Name, Age</i>	<i>Current directorship/partnerships</i>	<i>Past directorships/partnerships</i>
Richard Boléat (continued)	Watling Employee Investment Company	Forbane Investments Limited
	GLS International Advisors Limited	Royale Pigments (Jersey) Limited
	Jermyn Investment Trust Limited	Ferotos Limited
	Boyer Allan (Jersey) Limited	E – Casing Limited
	Buri Leasing Limited	Interactio Limited
	Gatekeeper Management Limited	Impex Aircraft Consulting (Jersey) Limited
	Novalis Investments Limited	Factum Holdings Limited
	TG Employee Investment Company I	Group Flight Services (Jersey) Limited
	TG Employee Investment Company II	Horta II Limited
	PCP Employee Investment Company Limited	PFG Management Limited
	Anker Capital Investments Limited	Saltarello Limited
	Branthill Limited	Coranto Films Limited
	Bennelong Asia Pacific Multi Strategy Equity Master Fund Limited	Fexton Investments Inc.
	Bennelong Asia Pacific Multi Strategy Equity Fund Limited	MGA Holdings Limited
	Boléat Consulting Services Limited	Thibaud A.R.L.
	Lyon Systems Limited	Alyssum Management Limited
	Nylon Capital (Jersey) Limited	Anchor Property Ltd
	Control Risks Group (Jersey) Limited	Beaunell Limited
	Freshwater Services Limited	Beltane Limited
	Stampflat Nom X Limited	Camolix Limited
	GLS (Jersey) Limited	CBA Enterprises Limited
	Ophir Holdings Limited	Clevedon Overseas Limited
	Ophir Gabon (Gnondo) Limited	Corbel Properties Limited
	Ophir Gabon (Manga) Limited	Coriace Investments Limited
	Ophir Gabon (Mbeli) Limited	Dubello Limited
	Ophir Gabon (Ntsina) Limited	F.T.C. Holdings Limited
	Sardis Limited	Gardenia Property Ltd
	Anassa Limited	Gentry Holdings Limited
	Carrousel Capital (C.I.) Limited	Junedale Limited
	Autonomy Capital (Jersey) Limited	Koppel Investments Limited
	Baker Steel Capital International Limited	Linstead Holdings Limited
	Wapi Holdings Limited	Max Holdings Limited
	Ukraine Liberty Fund Limited	Moonfleet Limited
	Carrousel Jersey Limited	Northmoor Investments Limited
	CT No 1 (Bermuda) Limited	Orchard Property Ltd
	Eurasia Transportation Group Limited	Pinewalk Limited
	Mountain Capital Management Limited	Rhea Investments Limited
		Rosewarne Properties Limited
		Rumico Limited
		Sandcroft Holdings Limited
		Shapour Limited
		Shine Investments Limited
		Sunspreet Estates Inc.
		Ticino Investments Limited
		Tifton Investments Limited
		Torremill (Jersey) Limited
		Trophy Management Limited
		Carpe Momo Limited
		Calwell Limited
		Bazooka Investments Limited

<i>Name, Age</i>	<i>Current directorship/partnerships</i>	<i>Past directorships/partnerships</i>
Richard Boléat (continued)	Ironman Investment Company Limited Rochester Capital Limited Forbrit Trustees Limited EMAC Illyrian Land Fund Limited Collins Stewart (Offshore) Funds Limited Bennelong General Partner Limited Liberty International Opportunities Master Fund Limited Liberty International Opportunities Fund Limited The Strategic Film Investors Master Fund Limited The Strategic Film Investors Fund Limited Templar Films (Jersey) Limited HP Management Limited Fischer Investments Limited Pall Mall Management Limited Pall Mall Associates Limited Regeneration (GP) Limited Alton Holdings Limited Lee Valley Properties Limited Securis 1 Fund Limited Securis 1 Master Fund Limited Capita Financial (CI) Limited TSOC – CHIL Limited	Paradise Aviation (Jersey) Limited Jameswood Limited Aviation Staffing Company Ltd Hamble Properties Limited Normandy Holdings Limited Ennis Grove Holdings Limited Belair Investments Limited Starcrest Investering ApS Stemtide Limited Outshine Limited Almerina Limited Globe International Management Limited Andante Investments Limited Rynek Holdings Limited Maxine Holdings Limited Okerbridge Estates Limited Virtual Corporate Solutions Limited Denwood Investments Limited Demel Limited Loriner International Limited Freight Investor Services Physicals Limited Koben Investments Limited Zass Limited Finlay Limited Carmella Properties Limited Palfridge Holdings Limited Dotbern Investments Limited Cambiller Investments Limited Hugin Investments Limited Foxwell Holdings Limited Midbay Investments Limited Amareta Investments Limited Breal Limited Cairngorm Investments Limited Longlast Holdings Limited Forefront Consultants Limited Halton Investments Inc Crystal Pearl International Limited Devina Limited Violetta Securities Limited SPT Funding 1 Limited Sentara Ventures Limited Caley Properties Limited Tabzi Investments Limited Skybourne Holdings Limited Compl-Ex Aircraft Limited Escorpion Holdings Limited Halcyon Films Limited Haygate International Limited

<i>Name, Age</i>	<i>Current directorship/partnerships</i>	<i>Past directorships/partnerships</i>
Richard Boléat (continued)		PE and T Limited Complete Holdings Limited Macon Management Limited Deleville Global Limited Caravelle Enterprises Limited Highgrove Securities Limited Hartwell Ventures Limited Quality Collections Limited ECP Ventures III Limited ECP Ventures I Limited ECP Ventures II Limited Creative Property Limited Matara Holdings Limited Creative Holdings Limited Eklus (BVI) Limited Eklus (Mauritius) Limited Rivulet Limited Aldemar Limited Ratatosk Limited Deloraine Services Limited PEIA Limited Pension Fund Assumption Limited Falco Limited Codevintec Limited Laptev Holdings Limited Scylla Limited Ravinella Limited Metonym Limited Purbeck Holdings Limited SPT Funding 2 SPT Holdings Limited Andaman Holdings Limited Tavoy Holdings Limited Coriolis Consulting Limited Golftee LP 2 Limited Golftee LP 3 Limited Locarno Limited Noserider Holdings Limited Calibur Limited Chantelle Investments Limited Limestone Investments Limited Cape TC (Jersey) Limited Bella TC (Jersey) Limited Auray Holdings Limited Lordos Limited Golftee TC Limited 18 Chester Terrace Limited SCBD Technolgy Limited Black Sea Oil Limited Cambier Limited Betony Investments Limited Abella Properties Limited Zarnita Limited

<i>Name, Age</i>	<i>Current directorship/partnerships</i>	<i>Past directorships/partnerships</i>
Richard Boléat (continued)		Straightline Marketing Limited Santry Limited NPT Holdings Limited Pegum Holdings Limited Craig Millar Castle (Holdings) Limited Brookdene Global Limited Oakamoor Investments Limited Ceramic Technology Engineering Consultancy Limited MCBS Licensing Limited Woods And Company Limited Ryton Services Limited Jonquil Property Holdings Ltd Hoplite Management Limited Adstock Limited Hightonwood Investments Limited Sonwood Limited Value Plain Limited Kings Advisors Limited Vallini Investments Limited International Marketing Services Inc Bishop Holdings Limited Meekin Investment Company Limited Lakedale Enterprises Limited Ekeby Holdings Limited Bennelong Asset Management Limited ETN Holdings Limited Northcross Holdings Limited Northcross Capital Management Limited Highstead Properties Limited Ponthall International Limited DAM Trustees Limited Yenby International Limited Derville Holdings Limited Tyrolese Trust Company Limited Anodyne Investments Limited Rochester Capital Fund Limited Rochester Capital Master Fund Limited Rochester General Partner Limited Luxor Systems Limited Cossey Investments Expomedia Group plc Gredediche House Management Company Limited

<i>Name, Age</i>	<i>Current directorship/partnerships</i>	<i>Past directorships/partnerships</i>
Andrew Duquemin	Corporate Consultants Limited D D Duquemin Limited Castel Investments Limited Blue Diamond Limited Collins Stewart Fund Management Limited Garenne Construction Group Limited Collins Stewart Property Fund Management Limited Fortune's Rocks Holdings Limited Fortune's Rocks Property Limited Acorn Income Fund Limited (alternate) Forest Nominees Limited The Collins Stewart UBK Nominee Company Ltd Fund Nominees Limited T and N Holdings Limited Channel Islands Stock Exchange LBG (alternate) Blue Chip Value & Income Fund Limited (alternate) Property Acquisition & Management Limited BFS Managed Properties Limited BFS Managed Properties Securities Limited BFS Managed Properties Holdings Limited The Collins Stewart PCC Limited Collins Stewart (CI) Holdings Limited Property Joint Ventures Limited Property Acquisition & Management Securities Limited	Collins Stewart No II Fund PCC Limited Vineyards Estates Limited Milvus Software Limited Collins Stewart (CI) Limited Trustee of Clarinco Superannuation Fund Collins Stewart No 3 Fund PCC Limited

5.13 Except as disclosed in paragraph 5.14 below, as at the date of this document, none of the Directors:

- (a) has any unspent convictions in relation to indictable offences;
- (b) has been bankrupt or entered into an individual voluntary arrangement;
- (c) was a director with an executive function of any company at the time of or within 12 months preceding any receivership, compulsory liquidation, creditors' voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with that company's creditors generally or with any class of its creditors;
- (d) has been a partner in a partnership at the time of or within 12 months preceding any compulsory liquidation, administration or partnership or voluntary arrangement of such partnership;

- (e) has had his assets the subject of any receivership or has been a partner of a partnership at the time of or within 12 months preceding any assets thereof being the subject of a receivership; or
- (f) has been subject to any public criticism by any statutory or regulatory authority (including any designated professional bodies) nor has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

The Company will maintain directors' and officers' liability insurance on behalf of the Directors at the expense of the Company.

The Company is not aware of any person who directly or indirectly, jointly or severally, exercises or, immediately following the Placing, could exercise control over the Company.

5.14 Trevor Hunt was a director of:

- (a) KIC Global Technology Fund Limited, which was placed in members' solvent voluntary liquidation on 3 August 2004;
- (b) Magellan Emerging Markets Limited which was placed in members' solvent voluntary liquidation on 11 September 2003;
- (c) Magellan Emerging Markets Management (Jersey) Limited which was placed in members' solvent voluntary liquidation on 22 November 2002;

6. Material Contracts

The following contracts, not being contracts entered into in the ordinary course of business have been entered into by the Company in the two years immediately preceding the date of this document and are, or may be material:

6.1 *Placing Agreement*

- (a) On 20 December 2005 the Company entered into the Placing Agreement with the Directors and Collins Stewart. Under the Placing Agreement Collins Stewart has agreed on and subject to the terms and conditions of the Placing Agreement as agent for the Company to use its reasonable endeavours to procure subscribers for the Placing Shares at the Placing Price.
- (b) The obligations of Collins Stewart under the Placing Agreement are conditional, inter alia, on Admission becoming effective not later than 8.00 a.m. on 6 January 2006 (or such later time, not being later than 8.00 a.m. on 31 January 2006 as the Company and Collins Stewart may agree). Collins Stewart is entitled to terminate the Placing Agreement in certain specified circumstances prior to Admission. In addition, the Company is entitled to terminate the Placing Agreement upon notice to Collins Stewart no later than 5.30 p.m. on 21 December 2005 if subscribers for 50,000,000 Shares have not been procured by Collins Stewart by that time.
- (c) Subject to and on Admission the Company has agreed to pay to Collins Stewart commission of 3.5 per cent. of the aggregate subscription price of the Placing Shares. In addition, the Company has agreed to pay a corporate finance fee of £250,000 (excluding VAT) to Collins Stewart payable in cash.
- (d) The Placing Agreement contains warranties and indemnities given to Collins Stewart by the Company and the Directors as to the accuracy of information contained in this document and other matters relating to the Company and its business.
- (e) The Company is placing the Placing Shares pursuant to the Placing. The Placing Price of 100p per Ordinary Share represents a premium of 99.9 over the nominal value of 0.1p per Ordinary Share and is payable in full on acceptance. The aggregate value of the Placing Shares at the Placing Price is £50 million.

- (f) The period within which placing participations may be accepted pursuant to the Placing and arrangements for the payment and holding of monies payable under the Placing Agreement pending Admission are set out in the Placing Agreement and in the placing letters to be sent to prospective placees (the “Placing Letters”).
- (g) The Placing Shares are not being offered generally and no applications have or will be accepted other than under the terms of the Placing Agreement and in the Placing Letters. The Placing Shares have been conditionally placed.
- (h) Collins Stewart has agreed conditionally, *inter alia*, on Admission to use its best endeavours to procure Placees for the Placing Shares at the Placing Price. No paying agents are involved in the Placing.
- (i) The Directors have applied for the Ordinary Shares (including the Placing Shares) to be admitted to CREST with effect from Admission. Accordingly, it is expected that the Ordinary Shares will be enabled for settlement in CREST following Admission.
- (j) The amount payable on application and allotment on each Placing Share is 100 pence. Other than the proposed application for Admission, the Ordinary Shares have not been admitted to dealings on any recognised investment exchange nor has any application for an admission been made. The Directors do not currently intend to make any other arrangements for dealings in the Ordinary Shares on any other exchange.

6.2 *Lock-In Deed and Orderly Market Agreement*

Pursuant to a deed dated 20 December 2005 and made between the Directors (together the “Covenantors”), the Company and Collins Stewart, in compliance with the AIM Rules each of the Covenantors agreed conditionally on Admission, that it would not, and would procure that no person connected with it would, subject to certain exceptions, dispose of:

- (a) any Ordinary Shares held by them at Admission until the first permissible dealing under the AIM Rules and the Model Code following the approval in general meeting of the Company’s annual accounts for the financial year ending 31 December 2006 being a date falling not earlier than 12 months after Admission (the “Initial Period”); and
- (b) for a further 12 months from the end of the Initial Period, the Covenantors further agreed, in order to maintain an orderly market, if any Covenantor wished to sell its Ordinary Shares it would notify and consult with Collins Stewart for a period of 5 business days before any sale provided that Collins Stewart was still appointed as the nominated adviser to the Company.

6.3 *Option Deed*

Pursuant to an Option Deed between the Company and Collins Stewart dated 20 December 2005, Collins Stewart has an option to buy an aggregate number of Shares equal to 1 per cent. of the aggregate number of Placing Shares, placed by Collins Stewart pursuant to the Placing, for the period of 5 years after Admission for a price of 100 pence per Share.

6.4 *Nominated Adviser and Broker Agreement*

An agreement dated 20 December 2005 and made between the Company, the Directors and Collins Stewart whereby the Company appointed Collins Stewart to act as its nominated adviser and broker for the purposes of the AIM Rules for a minimum of twelve months (subject to earlier termination in accordance with its terms) for an annual retainer fee of £35,000 plus VAT payable half yearly in advance. Such appointment shall continue until terminated by either the Company or Collins Stewart giving the other three months’ notice following the initial term and on various other grounds.

6.5 *Offshore Registrar Agreement*

Pursuant to an Offshore Registrar Agreement between Capita IRG (Offshore) Limited (“Capita”) and the Company dated 19 December 2005, Capita is retained by the Company to maintain the Company’s register of members and provide related services. The agreement may be terminated by the Company on serving 6 months notice on Capita, such notice not to

expire prior to the second anniversary of the date of the agreement. The agreement may be terminated by Capita on serving 3 months notice on the Company. It may be terminated immediately by either party in certain specified circumstances. The basic fee payable by the Company to Capita is £2.00 per shareholder account per annum, subject to an annual minimum charge of £5,500. Various transfer fees are also payable, together with a maintenance fee of £2,000 per annum.

6.6 *Company Administration Agreement*

Pursuant to a Company Administration Agreement between the Corporate Administrator, the Company and the beneficial owner(s) of all of the Shares in issue in the Company (the “Owner”) dated 19 December 2005 and a Letter of Engagement from the Corporate Administrator to Derek Vago dated 19 December 2005, the Corporate Administrator is engaged by the Company to provide management and administration services to the Company and, in particular:

- (a) to act as corporate administrator and secretary of the Company;
- (b) to procure the services of two persons to act as directors of the Company; and
- (c) to provide or arrange suitable office accommodation in Jersey at which meetings of the Directors may be held.

The fees, charges and expenses payable by the Company to the Corporate Administrator are prescribed in accordance with the Corporate Administrator’s published terms from time to time or such other terms as may be agreed between the Corporate Administrator and the Owner from time to time. The fees agreed include, inter alia, a fee of £7,500 payable on Admission, a fixed annual fee of £20,000 for the provision of two directors and a fee of £2,500 for the conduct of each board and shareholder meeting. Either the Corporate Administrator or the Owner may terminate the agreement on serving three month’s written notice of termination on the other.

6.7 *Indemnity Agreement*

Pursuant to an indemnity agreement between the Company and Derek Vago dated 19 December 2005, the Company has agreed to indemnify Derek Vago in connection with any adverse UK tax consequences arising out of his investment of seed capital.

7. **Taxation – United Kingdom**

The information is not exhaustive and does not constitute legal or taxation advice. Prospective investors should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, switching or disposing of Shares. The following is a brief summary of certain aspects of United Kingdom tax law and practice relevant to the transactions contemplated in this document. It is based on the law and practice and official interpretation currently in effect, all of which are subject to change.

This summary of the United Kingdom tax consequences applicable to the Company and the Shareholders is based upon the intention of the Directors to conduct the affairs and business of the Company so that, as far as possible, save for any tax which may be withheld at source in certain countries in respect of income and gains, the Company will not be liable to tax in any jurisdiction on the income (or gains) derived from its investments. However, there can be no guarantee that the tax position of the Company will not be challenged by the revenue authorities of one or more countries. Moreover, while this summary is considered to be a correct interpretation of existing laws and practices as at the date of this document, no assurance can be given that courts or fiscal authorities responsible for the administration of such laws or practices will agree with the interpretations or changes in such laws will not occur.

7.1 *The Company*

The Directors intend that the Company will continue to be managed and controlled in such a way that it should not be resident in the United Kingdom for United Kingdom tax purposes. Accordingly, and provided that the Company does not carry on a trade in the

United Kingdom through a permanent establishment, the Company will not be subject to United Kingdom income tax or corporation tax on its profits other than on any United Kingdom source income, although the arm's length fee paid to the UK subsidiary for its services to the Company will be subject to UK tax.

7.2 *Shareholders*

UK resident individual shareholders will be liable to income tax on the amount of any dividends received. Higher rate taxpayers will be liable to income tax at 32.5 per cent., and other individual taxpayers at 10 per cent. Since the Company will not be UK resident there will be no tax credit in respect of the dividends. UK resident corporate shareholders will be liable to corporation tax in respect of any dividends received from the Company.

7.3 *Capital Gains Tax*

The Directors have been advised that the Company should not be an offshore fund for the purposes of United Kingdom taxation and the provisions of Chapter V of Part XVII of the Taxes Act will not apply. Accordingly, Shareholders (other than those holding Shares as dealing stock, who are subject to separate rules) who are resident or ordinarily resident in the United Kingdom, or who carry on business in the United Kingdom through a permanent establishment with which their investment in the Company is connected may, depending on their circumstances and subject as mentioned below, be liable to United Kingdom tax on capital gains realised on the disposal of their Shares.

On a subsequent disposal by an individual Shareholder who is resident or ordinarily resident in the United Kingdom for taxation purposes, the Shares may attract taper relief which reduces the amount of chargeable gain according to how long, measured in years, the Shares have been held. Holders of Shares who are bodies corporate resident in the United Kingdom for taxation purposes will benefit from indexation allowance which, in general terms, increases the capital gains tax base cost of an asset in accordance with the rise in the retail prices index.

The Directors have been advised that the Company should not be an offshore fund for the purposes of United Kingdom taxation, but should the Company become an offshore fund for the purposes of United Kingdom taxation as a result of changes in current UK law and/or practice, this will, compared to current UK law and practice, have adverse tax consequences for UK Shareholders.

The attention of United Kingdom Shareholders resident or ordinarily resident and, if an individual, domiciled in the United Kingdom, is drawn to the provisions of Section 13 of the Taxation of Chargeable Gains Act 1992 under which, in certain circumstances, a portion of capital gains made by the Company can be attributed to a Shareholder who holds, alone or together with associated persons, more than 10 per cent of the Shares.

7.4 *Stamp Duty and Stamp Duty Reserve Tax ("SDRT")*

Generally, no United Kingdom stamp duty or SDRT is payable on a transfer of or agreement to transfer Shares of non-UK incorporated companies, where the register is not kept in the UK. No share register will be kept in the United Kingdom.

7.5 *Other United Kingdom tax considerations*

United Kingdom resident companies having an interest in the Company, such that 25 per cent. or more of the Company's profits for an accounting period could be apportioned to them, may be liable to United Kingdom corporation tax in respect of their share of the Company's undistributed profits, if any, in accordance with the provision of Chapter V of Part XVII of the Taxes Act relating to controlled foreign companies. These provisions only apply if the Company is controlled by United Kingdom residents.

Individuals ordinarily resident in the United Kingdom should note that Chapter III of Part XVII of the Taxes Act, which contains provisions for preventing avoidance of income tax by transactions resulting in the transfer of income to persons (including companies) abroad, may render them liable to taxation in respect of any undistributed income and profits of the Company.

7.6 *Shareholders resident in other jurisdictions*

In view of the number of different jurisdictions the laws of which may be applicable to Shareholders, no attempt is made in this document to summarise the possible tax consequences of the acquisition, holding or disposal of Shares. Investors should consult their professional advisers on the possible tax, exchange control or other consequences of buying, holding, selling or redeeming Shares under the laws of their country of citizenship, residence or domicile.

If any Shareholder is in doubt as to his taxation position, he is strongly recommended to consult an independent professional adviser without delay.

8. **Litigation and arbitration**

There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Directors are aware) against, or being brought by, the Company within the 12 months prior to the date of this document which are having, or may have, or have had a in the recent, past a significant effect on the Company's financial position or profitability.

9. **Working capital**

In the opinion of the Directors, having made due and careful enquiry, taking into account the Company's bank facilities and the net proceeds of the Placing receivable by the Company, the working capital available to the Company is sufficient for its present requirements, that is for at least 12 months following the date of Admission.

10. **General**

- 10.1 RSM Robson Rhodes LLP has given and has not withdrawn its written consent to the inclusion of references to it herein in the form and context in which it appears and to the inclusion of its report in this document, RSM Robson Rhodes LLP accepts responsibility for its report for the purposes of paragraph 1.2 of Annex I of the Prospectus Rules as required by Schedule Two of the AIM Rules. To the best of the knowledge of RSM Robson Rhodes LLP (who have taken all reasonable care to ensure that such is the case) the information contained in its report is in accordance with the facts and contains no omission likely to affect its import.
- 10.2 Collins Stewart has given and has not withdrawn its written consent to the issue of this document with the inclusion of its name in the form and context which it appears.
- 10.3 Capita IRG (Offshore) Limited, Capita Financial (CI) Limited and Channel House Secretaries Limited have given and have not withdrawn their written consent to the issue of this document with the inclusion of their names in the form and context where they appear.
- 10.4 The Placing of the Shares is being carried out on behalf of the Company by Collins Stewart, which is authorised and regulated by the FSA.
- 10.5 The principal place of business and registered office of the Company is at Victoria Chambers, Liberation Square, 1/3 Esplanade, St Helier, Jersey JE4 0FF.
- 10.6 There are no arrangements in force for the waiver of future dividends. There are no specified dates on which entitlement to dividends or interest thereon on Ordinary Shares arises.
- 10.7 The costs and expenses (including value added tax where relevant) of, and incidental to, the Placing payable by the Company will be 5.20 per cent, of the Initial Gross Proceeds. On the basis that 50,000,000 Shares are issued under the Placing, the estimated net proceeds are expected to be £47,400,000 and will be applied as described in Part 1, Section 2 of this document. The maximum number of Shares available under the Placing should not be taken as an indication of the number of Shares finally to be issued.

- 10.8 No person (excluding professional advisers otherwise disclosed in this document and trade suppliers) has received, directly or indirectly, from the Company within the 12 months preceding the date of this document or has entered into any contractual arrangements (not otherwise disclosed in this document) to receive, directly or indirectly, from the Company on or after Admission fees totalling £10,000 or more or securities in the Company having a value of £10,000 or more calculated by reference to the issue price or any other benefit with a value of £10,000 or more at the date of Admission.
- 10.9 CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by certificates and transferred otherwise than by written instrument. The Articles of Association of the Company permit the holding of the Shares under the CREST system. The Directors intend to apply for the Shares to be admitted to CREST with effect from Admission. Accordingly it is intended that settlement of transactions in the Shares following Admission may take place within the CREST system if the relevant Shareholders so wish. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so upon request from the Registrar.
- 10.10 Where information has been sourced from a third party this information has been accurately reproduced. So far as the Company and the Directors are aware and are able to ascertain from information provided by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- 10.11 The Company does not own any premises and does not lease any premises.
- 10.12 Save as disclosed in this document, there are no patents, intellectual property rights, licences or any industrial, commercial or financial contracts or new manufacturing processes which are or maybe material to the business or profitability of the Company.
- 10.13 The Directors are not aware of any environmental issues which may affect the Company's utilization of its tangible fixed assets.
- 10.14 Save as disclosed in this document, there has been no significant change in the financial or trading position of the Company since 30 August 2005 being the date of incorporation of the Company.

11. Availability of Document

Copies of this document can be obtained during normal business hours until the Placing closes from Collins Stewart Limited at 9th Floor, 88 Wood Street, London EC2V 7QR.

12. Documents Available For Inspection

Copies of the following documents will be available for inspection at the registered office of the Company and the offices of Mishcon de Reya, Summit House, 12 Red Lion Square, London WC1R 4QD during normal business hours on any week day (Saturdays and Public Holidays excepted) until 20 January 2006:

- (a) the Memorandum and Articles of Association of the Company;
- (b) letters of appointment of the Directors referred to in Part 4, paragraph 5 above;
- (c) the material contracts which are summarised in Part 4, paragraph 6 above;
- (d) the consents referred to in paragraph 10 above; and
- (e) this document.

Date: 20 December 2005

