

Evolve Capital PLC

Proposed acquisition and potential restructuring

10 February 2010

Evolve Capital PLC (“Evolve”) announces that its subsidiary, Astaire Group Plc (“Astaire”), is making an offer to acquire the whole of the issued share capital of Hoodless Brennan Holdings Plc. The full text of the announcement of the offer is set out below.

The consideration for the acquisition includes convertible loan notes and the exercise of the conversion rights in full would reduce Evolve’s interest in Astaire from the present level of 53.6% to below 50%

The Board of Evolve recognises that the current structure may not allow a full recognition of value by the markets and that on conversion of the Convertible Loan Notes, which are proposed to be issued as part consideration for the acquisition of HBH, Evolve may move to a minority holding position in Astaire over time.

The Board of Evolve is considering, and taking advice on, whether shareholder value in Evolve and / or Astaire would be enhanced by restructuring the current position.

A further announcement will be made in due course.

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10 February 2010

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Recommended Offer by

Astaire Securities Plc

on behalf of

Astaire Group Plc

for

Hoodless Brennan Holdings Plc

Offer Summary

The Boards of Astaire Group Plc ("Astaire") and Hoodless Brennan Holdings Plc ("HBH") are pleased to announce that agreement has been reached on the terms of a recommended offer to be made by Astaire Securities Plc on behalf of Astaire to acquire the entire issued and to be issued share capital of HBH.

- The Offer values the existing issued ordinary share capital of HBH at £3,612,500, based upon the independently assessed commercial value of the Convertible Loan Notes.
- Astaire has received irrevocable undertakings to accept the Offer in respect of 70,868,039 HBH Shares in aggregate, representing approximately 66.6 per cent. of the existing issued share capital of HBH.
- The Offer will be made on the basis that every HBH Share will receive 0.9403p in cash and 4.4665p nominal value Convertible Loan Notes.
- The acquisition of HBH will strengthen the business and balance sheet of Astaire and the Enlarged Group via synergies and cost savings in the following areas:
 - Agency stockbroking business
 - Market making
 - Settlement and other services
 - Property
- Astaire intends to rebrand HB's agency stockbroking business as soon as practicable after completion of the Offer
- HB currently carries on an active principal stockbroking business which the Astaire Directors do not consider to have major strategic importance and accordingly they do not intend to make any significant investment in it.
- HBH has explored a number of options post MiFID and considers it the right time to become part of a larger financial services group and take advantage of the synergies that this will offer.
- The acquisition of HBH is in line with Astaire's strategy of growing the corporate and institutional broking businesses of Astaire Securities as well as building its retail client business.
- This transaction follows the successful acquisition and integration by Astaire of Dowgate Capital Plc and Ruegg & Co Ltd in 2009.

Commenting on the announcement, Edward Vandyk, Chief Executive of Astaire Group Plc, said:

"The small cap stockbroking sector has too much capacity and is overbroke. This deal will strengthen Astaire's balance sheet and business from day one and the enlarged group will deliver significant synergies. Astaire's focus on achieving optimal business mix via selective acquisition will enhance shareholder value."

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This summary should be read in conjunction with and is subject to, the full text of this Announcement (including its appendices) as set out below. Appendix I of this Announcement sets out the conditions and further principal terms of the Offer. Appendix II sets out the sources of material information contained in this announcement. Appendix III contains definitions of terms used in this summary and in the following Announcement.

Neither this summary nor the full text of this Announcement constitutes or forms part of an offer to purchase or subscribe for any securities. The Offer will be made solely by the Offer Document and the Form of Acceptance, which together will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted.

This Announcement is not intended to and does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Offer or otherwise, nor shall there be any sale, issuance or transfer of the securities in any jurisdiction in contravention of applicable law. Any response in relation to the Offer should be made only on the basis of the information in the Offer Document or any document by which the Offer is made. Astaire and HBH will prepare the Offer Document to be distributed to HBH Shareholders. HBH and Astaire urge HBH Shareholders to read the Offer Document and the Form of Acceptance when it becomes available because it will contain important information relating to the Offer. HBH Shareholders may obtain an additional free copy of the Offer Document, when it becomes available, from Astaire Securities Plc, 30 Old Broad Street, London EC2N 1HT.

Astaire Securities, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for Astaire and no one else in connection with the Offer and will not be responsible to anyone other than Astaire for providing the protections afforded to the customers of Astaire nor for providing advice in relation to the Offer or any other matter referred to herein.

Fairfax, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting for Astaire and no-one else in connection with the matters referred to herein and will not be responsible to anyone other than Astaire for providing the protections afforded to clients of Fairfax or for giving advice in relation to such matters.

Smith & Williamson, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for HBH and no-one else in connection with the Offer and will not be responsible to anyone other than HBH for providing the protections afforded to customers of Smith & Williamson or for providing advice in relation to the Offer or any other matters referred to herein.

Dealing Disclosure Requirements

Under the provisions of Rule 8.3 of the City Code, if any person is, or becomes, "interested" (directly or indirectly) in one per cent. or more of any class of "relevant securities" of HBH or Astaire, all "dealings" in any "relevant securities" of that company (including by means of an option in respect of, or a derivative referenced to, any such "relevant securities") must be publicly disclosed by no later than 3.30 p.m. (London time) on the London business day following the date of the relevant transaction. This requirement will continue until the date on which the Offer becomes effective, lapses or is otherwise withdrawn or on which the "offer period" otherwise ends. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an "interest" in "relevant securities" of HBH or Astaire, they will be deemed to be a single person for the purpose of Rule 8.3.

Under the provisions of Rule 8.1 of the City Code, all "dealings" in "relevant securities" of HBH or Astaire by HBH or Astaire, or by any of their respective "associates", must be disclosed by no later than 12.00 noon (London time) on the London business day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose "relevant securities" "dealings" should be disclosed, and the number of such securities in issue, can be found on the Panel's website at www.thetakeoverpanel.org.uk.

"Interests in securities" arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an "interest" by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Please be aware that addresses, electronic addresses and certain other information provided by HBH Shareholders, persons with information rights and other relevant persons (for example, holders of HBH

Options) for the receipt of communications from HBH may be provided to an offeror during the offer period as required under Section 4 of Appendix 4 of the City Code.

Terms in quotation marks are defined in the City Code, which can also be found on the Panel's website. If you are in any doubt as to the application of Rule 8 to you, please contact an independent financial adviser authorised under the Financial Services and Markets Act 2000, consult the Panel's website at www.thetakeoverpanel.org.uk or contact the Panel on telephone number +44 (0)20 7382 9026; fax +44 (0) 20 7638 1554.

Overseas Jurisdictions

The availability of the Offer to HBH Shareholders who are not resident in and citizens of the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. Further details in relation to overseas shareholders will be contained in the Offer Document.

The release, publication or distribution of this announcement in jurisdictions other than in the United Kingdom may be restricted by law, and therefore, any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe, any applicable requirements. Any failure to comply with the applicable requirements may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies involved in the proposed Offer disclaim any responsibility or liability for the violation of such requirements by any person. This announcement has been prepared for the purposes of complying with English law, the FSA's Rules, the AIM Rules and the City Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of any jurisdiction outside the United Kingdom.

Copies of this announcement and formal documentation relating to the Offer will not be and must not be mailed or otherwise forwarded, distributed or sent in, into or from any jurisdiction where to do so would violate the laws in that jurisdiction.

Forward Looking Statements

This Announcement includes "forward-looking statements" intended to qualify for the safe harbor from liability under the Private Securities Litigation Reform Act of 1995. These statements are based on the current expectations of the management of HBH and Astaire and are subject to uncertainty and changes in circumstances. The forward-looking statements contained herein include statements about the expected effects on Astaire of the Offer, the expected timing and scope of the Offer, anticipated earnings enhancements, estimated cost savings and other synergies, costs to be incurred in achieving synergies, potential divestitures and other strategic options and all other statements in this announcement other than historical facts. Forward-looking statements include, without limitation, statements typically containing words such as "intends", "expects", "anticipates", "targets", "estimates" and words of similar import. By their nature, forward-looking statements are not guarantees of future performance or results and involve risks and uncertainties because they relate to events and depend on circumstances that will occur in the future.

There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to, unanticipated issues associated with the satisfaction of the Conditions to the Offer; issues associated with obtaining necessary regulatory approvals and the terms and conditions of such approvals; the inability to integrate successfully HBH within Astaire or to realise synergies from such integration within the time periods anticipated; and changes in anticipated costs related to the acquisition of HBH. Additional factors that could cause actual results and developments to differ materially include, among other things:

- unanticipated changes in revenue, margins, costs, and capital expenditures;
- issues associated with new product introductions;
- foreign currency fluctuations;
- increased raw material prices;
- unexpected issues associated with the availability of local suppliers and skilled labour;
- the risks associated with growth;
- geographic factors and political and economic risks;
- actions of competitors;
- changes in economic or industry conditions generally or in the markets served by HBH and Astaire;
- the state of financial and credit markets;
- efficiencies and capacity utilisation of facilities;

- issues related to new facilities and expansion of existing facilities;
- work stoppages, labour negotiations, and labour rates;
- government approval and funding of projects;
- the ability of our customers to receive financing;
- the ability to complete and appropriately integrate restructurings, consolidations, acquisitions, divestitures, strategic alliances, and joint ventures; and
- risk and other factors cited in Astaire's filings with the United States Securities and Exchange Commission.

Neither Astaire nor HBH undertakes any obligation to update or revise forward-looking statements, whether as a result of new information, future events or otherwise. Forward-looking statements only speak as of the date on which they are made.

Not for release, publication or distribution in whole or in part in, into or from any jurisdiction where to do the same would constitute a violation of the relevant laws of such jurisdiction.

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10 February 2010

Recommended Offer by

Astaire Securities Plc

on behalf of

Astaire Group Plc

for the whole of the issued and to be issued ordinary share capital of

Hoodless Brennan Holdings Plc

1. Introduction

The Astaire Board and HBH Board are pleased to announce that agreement has been reached on the terms of a recommended offer whereby Astaire will acquire the entire issued and to be issued ordinary share capital of HBH.

The Offer, which will be made on the terms and subject to the conditions set out below and referred to in Appendix I to this Announcement and will also be subject to the full terms to be set out in the Offer Document and in the accompanying Form of Acceptance, will be made on the following basis:

for every HBH Share: 0.9403 pence in cash
and
4.4665 pence nominal value Convertible Loan Notes

and so in proportion for any number of HBH Shares held. Cash consideration will be rounded down to the nearest whole penny and Convertible Loan Notes to the nearest whole Pound.

The Offer extends to all HBH Shareholders and relates to all HBH Shares unconditionally allotted or issued and fully paid (or credited as fully paid) whilst the Offer remains open for acceptance.

The Offer values the existing issued ordinary share capital of HBH at £3,612,500 based upon the commercial value of the Convertible Loan Notes as independently valued by Fairfax at £0.55 per £1 nominal value.

The Offer is conditional, *inter alia*, upon the FSA's consent to Astaire being a 50 per cent. or more controller of HBH. The terms of the Offer may change and the Offer may be increased at the discretion of the Astaire Directors.

The HBH Directors have given irrevocable undertakings to accept (or procure acceptance of) the Offer in respect of their holdings (beneficial and non-beneficial) amounting to, in aggregate, 47,976,799 HBH Shares (representing approximately 45.1 per cent. of the existing issued ordinary share capital of HBH).

In addition, an irrevocable undertaking to accept the Offer has also been received by Astaire from an HBH Shareholder in respect of 22,891,240 HBH Shares in aggregate (representing approximately 21.5 per cent. of the existing issued ordinary share capital of HBH).

Astaire has therefore received irrevocable undertakings to accept the Offer in respect of 70,868,039 HBH Shares in aggregate, representing approximately 66.6 per cent. of the existing issued ordinary share capital of HBH.

2. Background to and reasons for the Offer

HBH is the parent company of HB which has retained its independence since its incorporation in the early 1990s, and has historically focused on providing specialised broking services in the small cap sector in the London markets. Other complementary services and products have been developed and introduced such as agency stockbroking, market making and CFDs.

The HBH Directors believe that as a result of MiFID and the economic downturn of 2009, the regulatory and financial burdens that have been placed on small financial firms have meant that maintaining independence has become more difficult to achieve.

The HBH Directors have therefore explored a number of options and now consider that the timing is right for HBH to become part of a larger financial services group and to take advantage of the synergies that this will offer.

In the year ended 31 December 2008 HBH reported a loss before tax of £3.8 million on turnover of £6.4 million. As at that date, HBH had net assets of £4.9 million, with a bank overdraft of £0.3 million.

In the six month period ended 30 June 2009 HBH reported a profit before taxation of £1.4 million on turnover of £5.5 million. As at that date, HBH had net assets of £5.8 million of which £0.2 million was cash and cash equivalents.

During 2009 HB undertook significant restructuring activity, including the sale of its execution only online business as well as the demerger of its corporate finance division into a new company, Allenby Capital Limited. HB has maintained a 9.9 per cent, interest in Allenby Capital Limited and is entitled to increase this interest to 50 per cent., subject to FSA approval.

The Astaire Directors believe that the acquisition of HBH will strengthen the business and balance sheet of Astaire and, where indicated, the Enlarged Group, as follows:

Agency stockbroking business

The Astaire Directors intend, in due course, that HB's agency stockbroking business, which deals for private clients and accounts for in excess of 50 per cent. of its current stockbroking business, will be combined with Rowan Dartington's retail client agency stock-broking business. The Astaire Directors intend to rebrand the HB stockbroking business as soon as practicable after completion of the Offer.

Market making

HB has been an active market maker in smaller company stocks since 1999 and its experienced professionals make a market in 96 companies admitted to AIM and 19 traded on Plus Markets. Astaire Securities had intended to apply to the FSA to commence market making in 2010 as it believes that market making is a key element of the service it provides to its clients (both corporate and institutional). The acquisition of HB's established market making business should significantly accelerate this and avoid the initial costs associated with starting a market making operation.

Settlement and other services

The Enlarged Group will have three settlement systems, Rowan Dartington's in-house settlement team, Pershing (used by Astaire & Partners and intended in due course to be used for all of Astaire's institutional business) and HB's in-house settlement team. In the medium term, the Astaire Directors intend to streamline the Enlarged Group's settlement systems, which they consider will lead to operating efficiencies.

In addition, the Astaire Directors consider that they will be able to effect operating efficiencies by combining the Enlarged Group's compliance, IT, finance and human resource functions.

Principal stockbroking business

HB carries on an active principal stockbroking business whereby lines of existing or new stock are acquired, generally in smaller quoted companies, which are then distributed, supported by in-house research, to retail clients of HB and other market counter parties.

The Astaire Directors do not consider this aspect of HB's business to have major strategic importance for the Enlarged Group and accordingly do not intend to make any significant investment in it. As other activities expand, this element of the business is likely to constitute a lower proportion of HB's turnover.

Balance Sheet

At 30 June 2009, the date to which its last unaudited interim balance sheet was prepared, HBH reported tangible net assets of £5.8 million, and net current assets of £4.26 million. Since that date it has completed the disposal of its online business for a material cash consideration. As a result the Astaire Directors believe that the Acquisition will strengthen the Enlarged Group's balance sheet by significantly increasing its liquid assets.

Property

HB has recently taken a sublease over an 8,000 sq ft office in the City of London on attractive terms, which can accommodate the London operations of the Enlarged Group and coincides with the end of the lease on Astaire's City of London office. As well as producing significant property related savings, this should enhance operational efficiencies in the Enlarged Group.

HB carries out its stockbroking business from branches in London and Bristol. Rowan Dartington is based in, and has its largest branch in, Bristol. The lease of HB's Bristol office, which is close to Rowan Dartington's office, expires shortly and as Rowan Dartington has surplus space in its Bristol office, it will be able to accommodate HB's Bristol branch thus resulting in further cost savings.

3. Information on Astaire

Astaire is the holding company of a number of regulated financial services businesses. Its shares are traded on AIM and, as at 9 February 2010, being the last Business Day prior to announcement of the Offer, the market capitalisation of Astaire was £6.9m.

Astaire's three key business units are:

Rowan Dartington	Stockbroking with a focus in South West England
Astaire & Partners	Agency stockbroking and private client investment management
Astaire Securities	Corporate advisory and institutional stockbroking

The acquisition of HBH is in line with the Astaire Board's continuing strategy of growing the London based corporate and institutional broking businesses of Astaire Securities as well as building on its retail client business, which is conducted through Rowan Dartington

4. Controlling Shareholder

Astaire is controlled by Evolve, which, as at the date of this Announcement, owns 53.6 per cent. of its issued share capital. The Board of Evolve is considering, and taking advice on, whether shareholder value in Evolve and / or Astaire would be enhanced by restructuring the current position whereby Evolve holds 53.6 per cent. of Astaire. The Board of Evolve recognise that the current structure may not allow a full recognition of value by the markets and that on conversion of the Convertible Loan Notes, which are proposed to be issued as part consideration for the acquisition of HBH, Evolve may move to a minority holding position in Astaire over time.

5. Current trading and prospects for Astaire

On 25 September 2009 Astaire announced its results for the six month period ended 30 June 2009 which showed a loss before taxation of £2.6 million on turnover of £5.5 million. As at that date, Astaire had net assets of £16.8 million of which £9.1 million was cash and cash equivalents.

During the six months to 30 June 2009, Astaire undertook significant restructuring activity, including the closure of its asset management business and disposal of its Australian operation, Inteq Ltd. Whilst the Astaire Directors consider that market conditions in the small cap market in which the Astaire Group predominantly operates will remain challenging, they believe it is well placed to benefit from any upturn in activity.

6. Financing Arrangements

The cash element of the Offer will be financed from Astaire's existing cash resources. Fairfax, as Astaire's independent financial adviser, is satisfied that the necessary financial resources are available

to Astaire to enable it to satisfy acceptance of the cash element of the consideration payable under the Offer in full.

7. Irrevocable Undertakings

Astaire has received irrevocable undertakings from the following HBH Directors to accept, or to procure the acceptance of, the Offer in respect of the number of HBH Shares shown opposite their name in the table below and recommend to the HBH Shareholders the Offer. The terms of the irrevocable undertakings provide, inter alia, that the HBH Directors who have signed them shall not sell, transfer or otherwise dispose of or encumber the HBH Shares that are the subject of the irrevocable and that they shall not accept any other offer in respect of such shares. The irrevocable undertakings lapse on the earlier of 28 days after this Announcement (if the Offer Document is not dispatched to the holders of the HBH Shares by that date), the date the Offer is withdrawn (in the event that it is withdrawn) and in the event that the commercial terms of the Offer as set out in the Offer Document are materially different from or more restrictive than as set out in this Announcement.

Directors	Number of shares	Percentage
John Brennan	22,864,820	21.5%
Timothy Chandler	22,864,820	21.5%
Stephen Greenwood	2,154,545	2.0%
Andrew Baker	92,614	0.1%
Total	47,976,799	45.1%

Astaire has received an irrevocable undertaking from Sean Blackwell to accept, or to procure the acceptance of, the Offer in respect of 22,891,240 HBH Shares representing 21.5 per cent. of HBH's issued share capital. The terms of the irrevocable undertaking provides, inter alia, that Mr Blackwell shall not sell, transfer or otherwise dispose of or encumber the HBH Shares that are the subject of the irrevocable and that he shall not accept any other offer in respect of such shares. The irrevocable undertaking lapses on the earlier of 28 days after this Announcement (if the Offer Document is not dispatched to the holders of the HBH Shares by that date), the date the Offer is withdrawn (in the event that it is withdrawn) and in the event that the commercial terms of the Offer as set out in the Offer Document are materially different from or more restrictive than as set out in this Announcement.

8. Convertible Loan Notes

The Convertible Loan Notes, which will be governed by English law, will be unsecured obligations of Astaire. The Convertible Loan Notes will bear interest from the date of issue to the relevant holder of Convertible Loan Notes, payable every three months in arrears (less any tax required by law to be deducted or withheld therefrom) on 31 March, 30 June, 30 September and 31 December in each year (or, if not a Business Day, on the first Business Day thereafter) at the rate per annum of 7.75% (subject to the matters set out below). The first interest payment will be in respect of the period from (and including) the date of issue. In the event of the occurrence of an event of default, the Convertible Loan Notes will bear interest at the rate of 12.5% and shall become repayable immediately in full.

The Convertible Loan Notes will be convertible (in an amount equal to the whole of the relevant Noteholder's holding or in integral multiples of £5,000 in nominal value of Convertible Loan Notes) into Astaire shares at a price of 6.0 pence per Astaire Share.

The ability to convert the Convertible Loan Notes will depend upon the shareholders of Astaire passing resolutions to give the Astaire Board sufficient authority (in addition to any existing authority) to allot such number of Astaire Shares, free from pre-emption rights, into which the Convertible Loan Notes may convert. If the necessary resolutions have not been passed by the conclusion of the next annual general meeting of Astaire shareholders, the interest payable under the Convertible Loan Notes will rise to 10% until such time as the necessary resolutions are passed and the repayment date for the Convertible Loan Notes will be accelerated to 31 December 2012. Failure to obtain the required allotment authority free from pre-emption shall not otherwise constitute an event of default under the Convertible Loan Notes.

The Convertible Loan Notes will be redeemable at par (together with accrued interest) at the option of the holders, in whole or in part, on 31 December 2015 unless repayment has been accelerated as described above (or, if not a Business Day, on the first Business Day thereafter) Astaire may also repay the Convertible Loan Notes by private agreement with the individual noteholders(s) and without the prior approval of all the individual noteholders and without also having to extend any pre-payment offer to the other noteholders. At any time after the expiry of one year from the date of the instrument

constituting the Convertible Loan Notes Astaire may elect to pre-pay all (or any and if not all then pro rata as between the holders of Convertible Loan Notes) of the Convertible Loan Notes without the consent of the noteholders by giving not less than 30 Business Days notice provided that a conversion notice may be served by individual noteholders (in respect of some or all of a noteholder's Notes) not less than 20 Business Days after Astaire serves notice of its wish to pre-pay the Convertible Loan Notes.

The Convertible Loan Notes will be transferable in tranches with a nominal value of not less than £5,000 (or in the entire amount of Convertible Loan Notes held by any noteholder if not an integral multiple of £5,000) but no application is intended to be made for them to be listed or dealt in on any exchange.

The Convertible Loan Notes will be issued, credited as fully paid, in integral multiples of £1 nominal value. Fractional entitlements to Convertible Loan Notes will be disregarded.

The maximum amount of Convertible Loan Notes which will be issued by Astaire will be £4,750,000 in nominal value.

Upon Astaire paying a capital distribution to Astaire Shareholders whilst the Convertible Loan Notes are outstanding, holders of Convertible Loan Notes will receive an equivalent payment equal to the amount they would have received as Astaire Shareholders had their Convertible Loan Notes been converted in full.

The Astaire Directors have been advised by Fairfax that, based on market conditions on 5 February 2010, the latest practicable date prior to the date of this Announcement, in its opinion, if the Convertible Loan Notes had then been in issue, the value of the Convertible Loan Notes would not have been less than £0.55 per £1.00 nominal value.

Interest earned on Convertible Loan Notes cannot be converted into Astaire Shares and a maximum of 79,166,667 Astaire Shares can be issued upon conversion of the Convertible Loan Notes, representing a maximum of approximately 27.8 per cent. of the enlarged ordinary share capital of the Company

9. Management and employees

Astaire attaches great importance to the skills and experience of the existing management and employees of the HBH Group. Astaire's current plans do not involve any change to the conditions of employment of the HBH Group's employees.

Following the Offer becoming unconditional in all respects, the contractual rights, including pension rights, of the HBH Group employees will be fully safeguarded. Other than as disclosed in relation to its Bristol operations, the Astaire Directors intend that HBH and its subsidiaries will continue to operate from the current and proposed locations where they conduct their business.

10. Compulsory acquisition

If the Offer becomes or is declared unconditional in all respects and if sufficient acceptances are received, Astaire intends to apply the provisions of sections 979 to 982 (inclusive) of the Companies Act to acquire compulsorily any remaining HBH Shares.

It is proposed that, following the Offer becoming or being declared unconditional in all respects and subject to the extent of Astaire's interest in HBH at the relevant time, HBH will be re-registered as a private company.

11. HBH Option Schemes

The Offer will be extended to any holders of HBH Shares unconditionally allotted or issued whilst it remains open for acceptance as a result of either the exercise of rights granted under the HBH Option Schemes or otherwise.

All of the existing outstanding options under the HBH Option Schemes are exercisable below the Offer Price but above the aggregate of the cash element of the Consideration plus the fair value price of the Convertible Loan Notes having regard to Fairfax's independently assessed commercial valuation. If the Offer is declared unconditional, appropriate proposals will be made in due course to HBH Optionholders in the form of the HBH Option Offer.

12. Disclosure of interest in HBH Shares

Save as disclosed herein, none of Astaire or any of its directors or, so far as Astaire is aware, any person acting in concert with Astaire has (i) any interest in, or right to subscribe for, any HBH Shares, nor does any such person have any short position (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery or (ii) has borrowed or lent any HBH Shares. Furthermore, no arrangement exists with Astaire, HBH or an associate of Astaire or HBH in relation to HBH Shares. For these purposes, an "arrangement" includes any indemnity or option arrangement, any agreement or any understanding, formal or informal, of whatever nature, relating to HBH Shares which may be an inducement to deal or refrain from dealing in such securities

13. Number of shares in issue

Astaire has 205,309,518 ordinary shares of 0.1p each in issue with ISIN GB0031792194.
HBH has 106,347,999 ordinary shares of 0.1p each. HBH shares do not have an ISIN number.

The information in this paragraph 13 is given in accordance with Rule 2.10 of the City Code

14. Recommendation

The HBH Directors, who have been so advised by Smith & Williamson, consider the terms of the Offer to be fair and reasonable. In providing their advice to the HBH Directors, Smith & Williamson has taken into account the commercial assessments of the HBH Directors.

Accordingly, the HBH Directors will unanimously recommend that HBH Shareholders accept the Offer, as they have irrevocably undertaken to accept (or procure the acceptance of) the Offer in respect of their own holdings and those of their related parties amounting to, in aggregate, 47,976,799 HBH Shares, representing approximately 45.1 per cent. of the existing issued ordinary share capital of HBH.

In addition, an irrevocable undertaking to accept the Offer has also been received by Astaire from an HBH Shareholder in respect of 22,891,240 HBH Shares in aggregate (representing approximately 21.5 per cent. of the existing issued share capital of HBH).

Astaire has therefore received irrevocable undertakings to accept the Offer in respect of 70,868,039 HBH Shares in aggregate, representing approximately 66.6 per cent. of the existing issued share capital of HBH

15. General

Copies of this Announcement will be freely available from Astaire's website: www.astairegroup.com

The Offer Document, containing the full terms of the Offer, will be posted to HBH Shareholders as soon as possible, but in any event, within 28 days of today's date. The conditions to the Offer are set out in Appendix I to this Announcement and, together with certain further terms of the Offer, will also be set out in full in the Offer Document and in the Form of Acceptance. In deciding whether to accept the Offer, HBH Shareholders should rely on the information contained in, and follow the procedures described in, the Offer Document and, (if applicable), the Form of Acceptance.

The availability of the Offer to HBH Shareholders not resident in or citizens of the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are citizens or in which they are resident. Such persons should inform themselves about and observe any applicable legal or regulatory requirements of any such relevant jurisdiction.

In particular, the Offer is not being made, directly or indirectly, in, into or from or by the use of the mails of or any means or instrumentality (including, without limitation, by means of facsimile transmission, telex, telephone, internet or other forms of electronic communication) of interstate or foreign commerce of, or by any facility of a national, state or other securities exchange of, any Prohibited Jurisdiction, or in any other jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction and the Offer, when made, will not be capable of acceptance by any such use, means, instrumentality or facility from or within any Prohibited Jurisdiction where to do so would constitute a breach of any relevant securities laws of that Prohibited Jurisdiction. Accordingly, copies of this Announcement are not being, and must not be, mailed or otherwise distributed or sent in or into or from any Prohibited Jurisdiction or any such other jurisdiction. Doing so may render invalid any purported acceptance of the

Offer. Astaire will retain the right to permit the Offer to be accepted and any sale of any securities pursuant to the Offer to be completed if, in its sole discretion, it is satisfied that the transaction in question can be undertaken in compliance with applicable law and regulation.

Any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe any applicable legal or regulatory requirements. Further information in relation to overseas HBH Shareholders will be set out in the Offer Document.

This Announcement does not constitute, or form part of, an offer or an invitation to purchase or subscribe for any securities. The Offer will be made solely by way of the Offer Document, and, where appropriate, the related Form of Acceptance which together will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted.

HBH Shareholders who accept the Offer may only rely on the Offer Document, and, where appropriate, the related Form of Acceptance for all the terms and the conditions of the Offer. In deciding whether or not to accept the Offer in relation to their HBH Shares, HBH Shareholders should rely only on the information contained, and procedures described, in the Offer Document, and, where appropriate, the related Form of Acceptance. HBH Shareholders are strongly advised to read the Offer Document being posted to them shortly, or in any event within 28 days of the date of this Announcement, which contains important information.

Astaire Securities, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for Astaire and no one else in connection with the Offer and will not be responsible to anyone other than Astaire for providing the protections afforded to customers of Astaire Securities or for providing advice in relation to the Offer or any other matter referred to herein.

Fairfax, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting for Astaire and no-one else in connection with the matters referred to herein and will not be responsible to anyone other than Astaire for providing the protections afforded to clients of Fairfax or for giving advice in relation to such matters.

Smith & Williamson, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting for HBH and no-one else in connection with the matters referred to herein and will not be responsible to anyone other than HBH for providing the protections afforded to clients of Smith & Williamson or for giving advice in relation to such matters.

The principal place of business of Astaire Securities is 30 Old Broad Street, London EC2N 1HT.

The principal place of business of Fairfax is 46 Berkeley Square, Mayfair, London W1J 5AT.

The principal place of business of Smith & Williamson is 25, Moorgate, London EC2R 6AY

Astaire Securities, Fairfax and Smith & Williamson have given their written consent to the release of this Announcement containing references to their names in the form and context in which they appear.

Fairfax confirms that Astaire has sufficient cash resources available to satisfy full acceptance of the cash element of the consideration payable under the Offer.

The Astaire Directors accept responsibility for the information contained in this Announcement save that the only responsibility accepted by them for the information given in relation to the HBH Group, which has been compiled from published sources, has been to ensure that such information has been correctly and fairly reproduced and presented. Subject as aforesaid, to the best of the knowledge and belief of the Astaire Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Announcement for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Announcement contains certain forward-looking statements with respect to (amongst other things) the financial condition, results of operations and business of the HBH and certain plans and objectives of the Astaire Board. These forward-looking statements, without limitation, can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as "anticipate", "expect", "estimate", "intend", "plan", "goal", "believe", "will", "may", "should", "would", "could" or other words of similar meaning. These statements are based on assumptions and assessments made by the Astaire Directors in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe appropriate. By their nature, forward-looking statements involve risk and uncertainty, and the factors described in the

context of such forward-looking statements in this Announcement could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements, which are not guarantees of future performance.

Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this Announcement. Astaire assumes no obligation to update or correct the information contained in this Announcement, whether as a result of new information, future events or otherwise, except to the extent legally required.

The statements contained in this Announcement are made as at the date of this announcement, unless some other time is specified in relation to them, and service of this Announcement shall not give rise to any implication that there has been no change in the facts set out in this Announcement since such date. Nothing contained in this Announcement shall be deemed to be a forecast, projection or estimate of the future financial performance except where expressly stated.

The attention of HBH Shareholders is drawn to the fact that under the Code there are certain UK dealing disclosure requirements in respect of relevant securities during an offer period. The Offer Period was deemed to have commenced on (and including) 10 February 2010.

The disclosure requirements are set out in more detail in Rule 8 of the Code. In particular, under the provisions of Rule 8.3 of the Code, if any person is, or becomes, "interested" (directly or indirectly) in one per cent. or more of any class of "relevant securities" of HBH or Astaire, all "dealings" in any "relevant securities" of that company (including by means of an option in respect of, or a derivative referenced to, any such "relevant securities") must be publicly disclosed by no later than 3.30 p.m. (London time) on the Business Day following the date of the relevant transaction. This requirement will continue until the date on which the Offer becomes, or is declared, unconditional as to acceptances, lapses or is otherwise withdrawn or on which the Offer Period otherwise ends. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an "interest" in "relevant securities" of HBH or Astaire, they will be deemed to be a single person for the purpose of Rule 8.3 of the Code.

Under the provisions of Rule 8.1 of the Code, all "dealings" in "relevant securities" of HBH or Astaire by Astaire or HBH, or by any of their respective "associates" (within the meaning of the Code), must also be disclosed by no later than 12.00 p.m. (London time) on the Business Day following the date of the relevant transaction.

A disclosure table giving details of the companies in whose "relevant securities" "dealings" should be disclosed, and the number of such securities in issue, can be found on the Panel's website at www.thetakeoverpanel.org.uk.

"Interests in securities" arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an "interest" by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the Code, which can also be found on the Panel's website. If you are in any doubt as to whether or not you are required to disclose a "dealing" under Rule 8 of the Code, you should consult the Panel.

If you are in any doubt as to the application of Rule 8 to you, please contact an independent financial adviser authorised under the Financial Services and Markets Act 2000, consult the Panel's website at www.thetakeoverpanel.org.uk or contact the Panel on telephone number +44 (020) 7638 0129; fax: +44 (020) 7236 7013.

This Announcement does not constitute, or form part of, an offer or invitation to purchase any securities.

APPENDIX I

The Offer is subject to, and conditional on, the following terms and conditions:

PART A: Conditions of the Offer

The Offer is subject to the following conditions:

- (a) valid acceptances being received (and not, where permitted, withdrawn) by not later than 1.00 p.m. (London time) on the First Closing Date of the Offer (or such later time(s) and/or date(s) as Astaire may, subject to the rules of the City Code, decide) in respect of not less than 90 per cent. (or such lower percentage as Astaire may decide) in nominal value of the HBH Shares to which the Offer relates, provided that this condition will not be satisfied unless Astaire and/or its wholly owned subsidiaries shall have acquired or agreed to acquire (whether pursuant to the Offer or otherwise) HBH Shares carrying in aggregate more than 50 per cent. of the voting rights then normally exercisable at a general meeting of HBH, including for this purpose (except to the extent otherwise agreed by the Panel) any such voting rights attaching to any HBH Shares that are unconditionally allotted or issued before the Offer becomes or is declared unconditional as to acceptances, whether pursuant to the exercise of any outstanding subscription or conversion rights or otherwise; and for this purpose:
 - (i) the expression “HBH Shares to which the Offer relates” shall be construed in accordance with sections 979 to 982 of the Companies Act;
 - (ii) HBH Shares which have been unconditionally allotted shall be deemed to carry the voting rights which they will carry upon issue; and
 - (iii) valid acceptances shall be deemed to have been received in respect of HBH Shares which are treated for the purposes of section 979 of the Companies Act as having been acquired or contracted to be acquired by Astaire by virtue of acceptances of the Offer;
- (b) the FSA's consent to Astaire being a 50 per cent. or more controller of HBH as described under Part XIII of the FSMA having been granted and not having lapsed or been withdrawn (notwithstanding any subsequent renewal of the same) when the Offer is declared unconditional in all respects;
- (c) no Third Party having intervened and there not continuing to be outstanding any statute, regulation or order of any Third Party in each case which would or might reasonably be expected (in any case to an extent which is material in the context of the Astaire Group or the HBH Group, as the case may be, taken as a whole) to:
 - (i) make the Offer, its implementation or the acquisition or proposed acquisition by Astaire or any member of the Astaire Group of any shares or other securities in, or control or management of, HBH or any member of the HBH Group void, illegal or unenforceable in any jurisdiction, or otherwise directly or indirectly restrain, prevent, prohibit, restrict or delay the same or impose additional conditions or obligations with respect to the Offer or such acquisition, or otherwise impede, challenge or interfere with the Offer or such acquisition, or require amendment to the terms of the Offer or the acquisition or proposed acquisition of any HBH Shares or the acquisition of control of HBH or the HBH Group by Astaire or any member of the Astaire Group;
 - (ii) limit or delay the ability of any member of the Astaire Group or any member of the HBH Group to acquire or to hold or to exercise effectively, directly or indirectly, all or any rights of ownership in respect of shares or other securities in, or to exercise voting or management control over, any member of the HBH Group or any member of the Astaire Group;
 - (iii) require, prevent or delay the divestiture or alter the terms envisaged for any proposed divestiture by any member of the Astaire Group of any shares or other securities in HBH;
 - (iv) require, prevent or delay the divestiture or alter the terms envisaged for any proposed divestiture by any member of the Astaire Group or by any member of the HBH Group of all or any portion of their respective businesses, assets or properties or limit the ability of any of them to conduct any of their respective businesses or to own or control any of their respective assets or properties or any part thereof;

- (v) except pursuant to Chapter 3 of Part 28 of the Companies Act, require any member of the Astaire Group or of the HBH Group to acquire, or to offer to acquire, any shares or other securities (or the equivalent) in any member of either group owned by any third party;
 - (vi) limit the ability of any member of the Astaire Group or of the HBH Group to conduct or integrate or co-ordinate its business, or any part of it, with the businesses or any part of the businesses of any other member of the Astaire Group or of the HBH Group;
 - (vii) result in any member of the HBH Group or the Astaire Group ceasing to be able to carry on business under any name under which it presently does so; or
 - (viii) otherwise adversely affect the business, assets, profits, financial or trading position or prospects of any member of the HBH Group or of the Astaire Group, and all applicable waiting and other time periods during which any Third Party could intervene under the laws of any relevant jurisdiction having expired, lapsed or been terminated;
- (d) all notifications and filings which are necessary or are reasonably considered appropriate by Astaire having been made, all appropriate waiting and other time periods (including any extensions of such waiting and other time periods) under any applicable legislation or regulation of any relevant jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory or regulatory obligations in any relevant jurisdiction having been complied with in each case in connection with the Offer or the acquisition or proposed acquisition of any shares or other securities in, or control of, HBH or any other member of the HBH Group by any member of the Astaire Group or the carrying on by any member of the HBH Group of its business;
- (e) all Authorisations which are necessary or are reasonably considered necessary or appropriate by Astaire in any relevant jurisdiction for or in respect of the Offer or the acquisition or proposed acquisition of any shares or other securities in, or control of, HBH or any other member of the HBH Group by any member of the Astaire Group or the carrying on by any member of the HBH Group of its business having been obtained, in terms and in a form reasonably satisfactory to Astaire, from all appropriate Third Parties or from any persons or bodies with whom any member of the HBH Group has entered into contractual arrangements in each case where the absence of such Authorisation would have a material adverse effect on the HBH Group taken as a whole and all such Authorisations remaining in full force and effect and there being no notice or intimation of any intention to revoke, suspend, restrict, modify or not to renew any of the same;
- (f) except as fairly disclosed in writing to Astaire by or on behalf of HBH prior to the date of publication of the Offer Document, there being no provision of any arrangement, agreement, licence, permit, franchise or other instrument to which any member of the HBH Group is a party, or by or to which any such member or any of its assets is or are or may be bound, entitled or subject or any circumstance, which, in each case as a consequence of the Offer or the acquisition or proposed acquisition of any shares or other securities in, or control of, HBH or any other member of the HBH Group by any member of the Astaire Group or otherwise, could or might reasonably be expected to result in, (in any case to an extent which is or would be material in the context of the HBH Group taken as a whole):
- (i) any monies borrowed by or any other indebtedness or liabilities (actual or contingent) of, or any grant available to, any member of the HBH Group being or becoming repayable or capable of being declared repayable immediately or prior to its stated repayment date or the ability of any member of the HBH Group to borrow monies or incur any indebtedness being withdrawn or inhibited or becoming capable of being withdrawn;
 - (ii) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interests of any member of the HBH Group or any such mortgage, charge or other security interest (wherever created, arising or having arisen) becoming enforceable;
 - (iii) any such arrangement, agreement, licence, permit, franchise or instrument, or the rights, liabilities, obligations or interests of any member of the HBH Group thereunder, being, or becoming capable of being terminated or adversely modified or affected or any adverse action being taken or any obligation or liability arising thereunder;
 - (iv) any asset or interest of any member of the HBH Group being or falling to be disposed of or ceasing to be available to any member of the HBH Group or any right arising under which any such asset or interest could be required to be disposed of or could cease to be available to

any member of the HBH Group otherwise than in the ordinary course of business;

- (v) any member of the HBH Group ceasing to be able to carry on business under any name under which it presently does so;
 - (vi) the creation of liabilities (actual or contingent) by any member of the HBH Group;
 - (vii) the rights, liabilities, obligations or interests of any member of the HBH Group under any such arrangement, agreement, licence, permit, franchise or other instrument or the interests or business of any such member in or with any other person, firm, company or body (or any arrangement or arrangements relating to any such interests or business) being terminated, adversely modified or affected; or
 - (viii) the financial or trading position or the prospects or the value of any member of the HBH Group being prejudiced or adversely affected, and no event having occurred which, under any provision of any such arrangement, agreement, licence, permit or other instrument, could result in any of the events or circumstances which are referred to in paragraphs (i) to (vii) of this condition (f) in any case to an extent which is or would be material in the context of the HBH Group taken as a whole;
- (g) since 31 December 2008 and except as Disclosed no member of the HBH Group having:
- (i) issued or agreed to issue, or authorised the issue of, additional shares of any class, or securities convertible into or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities other than as between HBH and wholly-owned subsidiaries of HBH;
 - (ii) purchased or redeemed or repaid any of its own shares or other securities or reduced or made any other change to any part of its share capital;
 - (iii) recommended, declared, paid or made any bonus, dividend or other distribution whether payable in cash or otherwise (other than to HBH or a wholly-owned subsidiary of HBH);
 - (iv) made or authorised any change in its loan capital;
 - (v) (other than any acquisition or disposal in the ordinary course of business or a transaction between HBH and a wholly-owned subsidiary of HBH) merged with, demerged or acquired or disposed of or transferred, mortgaged or charged or created any security interest over any assets or any right, title or interest in any assets (including shares in any undertaking and trade investments) or authorised the same (which in any case is material in the context of the HBH Group taken as a whole);
 - (vi) issued or authorised the issue of, or made any change in or to, any debentures or (except in the ordinary course of business) incurred or increased any indebtedness or liability (actual or contingent) which in any case is material in the context of the HBH Group taken as a whole;
 - (vii) entered into, varied or authorised any agreement, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which:
 - (A) is of a long term, onerous or unusual nature or magnitude or which is or could involve an obligation of such nature or magnitude; or
 - (B) could restrict the business of any member of the HBH Group; or
 - (C) is other than in the ordinary course of business, and which in any case is material in the context of the HBH Group taken as a whole;
 - (viii) entered into, implemented, effected or authorised any merger, demerger, reconstruction, amalgamation, scheme, commitment or other transaction or arrangement in respect of itself or another member of the HBH Group otherwise than in the ordinary course of business which in any case is material in the context of the HBH Group taken as a whole;
 - (ix) entered into or varied the terms of, any contract, agreement or arrangement with any of the directors or senior executives of any member of the HBH Group;

- (x) taken any corporate action or had any legal proceedings instituted or threatened against it or petition presented or order made for its winding-up (voluntarily or otherwise), dissolution or reorganisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of all or any material part of its assets and revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction which in any case is material in the context of the HBH Group taken as a whole;
 - (xi) been unable, or admitted in writing that it is unable, to pay its debts or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business in any case with a material adverse effect on the HBH Group taken as a whole;
 - (xii) waived or compromised any claim which is material in the context of the HBH Group taken as a whole;
 - (xiii) made any alteration to its memorandum or articles of association which is material in the context of the Offer;
 - (xiv) entered into any agreement, commitment or arrangement or passed any resolution or made any offer (which remains open for acceptance) or proposed or announced any intention with respect to any of the transactions, matters or events referred to in this condition (h);
- (h) since 31 December 2008 and except as Disclosed:
- (i) there having been no adverse change or deterioration in the business, assets, financial or trading positions or profit or prospects of any member of the HBH Group which in any case is material in the context of the HBH Group taken as a whole;
 - (ii) no contingent or other liability of any member of the HBH Group having arisen or become apparent or increased which in any case is material in the context of the HBH Group taken as a whole;
 - (iii) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the HBH Group is or may become a party (whether as plaintiff, defendant or otherwise) having been threatened, announced, implemented or instituted by or against or remaining outstanding against or in respect of any member of the HBH Group which in any case is material in the context of the HBH Group taken as a whole; and
 - (iv) (other than as a result of the Offer) no enquiry or investigation by, or complaint or reference to, any Third Party having been threatened, announced, implemented, instituted by or against or remaining outstanding against or in respect of any member of the HBH Group which in any case is material in the context of the HBH Group taken as a whole; and
- (i) Astaire not having discovered:
- (i) that any financial or business or other information concerning the HBH Group disclosed at any time by or on behalf of any member of the HBH Group, whether publicly, to any member of the Astaire Group or otherwise, is misleading or contains any misrepresentation of fact or omits to state a fact necessary to make any information contained therein not misleading and which was not subsequently corrected before 31 December 2008 by disclosure either publicly or otherwise to Astaire to an extent which in any case is material in the context of the HBH Group as a whole;
 - (ii) that any member of the HBH Group is subject to any liability (actual or contingent) which is not disclosed in HBH's annual report and accounts for the financial year ended 31 December 2008 and which in any case is material in the context of the HBH Group taken as a whole; or
 - (iii) any information which affects the import of any information disclosed at any time by or on behalf of any member of the HBH Group to an extent which is material in the context of the HBH Group taken as a whole.

For the purpose of these conditions:

“Disclosed” means disclosed in (a) HBH’s annual report and accounts for the year ended 31 December 2008; or (b) in writing to Astaire by or on behalf of HBH prior to the date of publication of the Announcement

“Third Party” means any government, government department or governmental, quasi-governmental, supranational, statutory, regulatory or investigative body, authority (including any national anti-trust or merger control authority), court, trade agency, association, institution or professional or environmental body or any other person or body whatsoever in any relevant jurisdiction;

a Third Party shall be regarded as having “intervened” if it has decided to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or made, proposed or enacted any statute, regulation, decision or order or taken any measures or other steps or required any action to be taken or information to be provided or otherwise having done anything and “intervene” shall be construed accordingly;

“Authorisations” means authorisations, orders, grants, recognitions, determinations, certificates, confirmations, consents, licences, clearances, provisions and approvals;

“Astaire Group” means Astaire and its subsidiaries and subsidiary undertakings and associated undertakings (including any company in which any member of the Astaire Group is interested or any undertaking in which Astaire and such undertakings (aggregating their interests) have a direct or indirect interest in 20 per cent. or more of the voting equity capital of an undertaking); and

“HBH Group” means HBH and its subsidiaries and subsidiary undertakings and associated undertakings (including any company in which any member of the HBH Group is interested or any undertaking in which HBH and such undertakings (aggregating their interests) have a direct or indirect interest in 20 per cent. or more of the voting equity capital of an undertaking).

Subject to the requirements of the Panel, Astaire reserves the right to waive all or any of the above conditions, in whole or in part, except condition (a).

Conditions (b) to (i) (inclusive) must be fulfilled, be determined by Astaire to be or remain satisfied or (if capable of waiver) be waived by midnight on the 21st day after the later of the First Closing Date of the Offer and the date on which condition (a) is fulfilled (or in each case such later date as Astaire may, with the consent of the Panel, decide), failing which the Offer will lapse. Astaire shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of conditions (b) to (i) (inclusive) by a date earlier than the latest date specified above for the fulfilment of that condition.

If the Offer lapses it will cease to be capable of further acceptance. HBH Shareholders who have accepted the Offer and Astaire shall then cease to be bound by acceptances delivered on or before the date on which the Offer lapses.

The Offer will extend to all HBH Shares whilst the Offer remains open for acceptance.

PART B: Further terms of the Offer

The following further terms apply to the Offer, unless the contrary is expressed or the context requires otherwise. Unless the context requires otherwise, any reference in Part B of this Appendix I to:

- (i) the "Offer" includes any revision, variation, renewal or extension of the Offer;
- (ii) the "acceptance condition" means the condition set out in paragraph (a) of Part A of this Appendix I;
- (iii) the "Offer becoming unconditional" means the Offer becoming or being declared wholly unconditional and references to the Offer having become or not become unconditional shall be construed accordingly;
- (iv) "acceptances of the Offer" includes deemed acceptances of the Offer; and
- (v) the "Offer Period" means, in relation the Offer, the period commencing on 10 February 2010 until the latest of:
 - (a) 1.00 p.m. on the date falling 21 days after the posting of the Offer Document;
 - (b) the time and date when the Offer lapses; or
 - (c) the time and date when the Offer becomes unconditional.

1. Acceptance period

- (a) The Offer will initially be open for acceptance until 1.00 p.m. on the date falling 21 days after the posting of the Offer Document. Although no revision is envisaged, if the Offer is revised it will remain open for acceptance for a period of at least 14 days (or such other period as the Panel may permit) from the date on which written notification of the revision is posted to HBH Shareholders. Except with the Panel's consent, no revision of the Offer may be made or posted after the date falling 46 days after the posting of the Offer Document or, if later, the date falling 14 days before the last date the Offer can become unconditional.
- (b) The Offer, whether revised or not, shall not (except with the Panel's consent) be capable of becoming unconditional after midnight on the date falling 60 days after the posting of the Offer Document (or any earlier time and/or date beyond which Astaire has stated that the Offer will not be extended unless Astaire has, where permitted, withdrawn that statement or extended the Offer beyond the stated earlier date), nor of being kept open for acceptance after that time and date unless it has previously become unconditional, provided that Astaire reserves the right, with the Panel's consent, to extend the Offer to a later time(s) and/or date(s).

Except with the Panel's consent, Astaire may not, for the purpose of determining whether the acceptance condition has been satisfied, take into account acceptances received or purchases of HBH Shares made after 1.00 p.m. on the date falling 60 days after the posting of the Offer Document (or any earlier time and/or date beyond which Astaire has stated that the Offer will not be extended unless where permitted, it has withdrawn that statement or extended the offer beyond the stated earlier date) or, if the Offer is so extended, any such later time(s) and/or date(s) as may be agreed with the Panel. If the latest time at which the Offer may become unconditional is extended beyond midnight on the date falling 60 days after the posting of the Offer Document, acceptances received and purchases of HBH Shares made in respect of which relevant documents are received by Share Registrars after 1.00 p.m. on the date falling 60 days after the posting of the Offer Document may (except where the Code otherwise permits) only be taken into account with the Panel's agreement.

- (c) If the Offer becomes unconditional, it will remain open for acceptance for not less than 14 days from the date on which it would otherwise have expired. If the Offer has become unconditional and it is stated by or on behalf of Astaire that the Offer will remain open until further notice, or if the Offer will remain open beyond midnight on the date falling 60 days after the posting of the Offer Document, then not less than 14 days' notice in writing will be given, before closing the Offer, to those HBH Shareholders who have not accepted the Offer.
- (d) If a competitive situation arises after Astaire has made a "no extension" statement and/or a "no increase" statement in relation to the Offer, Astaire may, if it specifically reserved the right to do so at the time such statement was made, or otherwise with the Panel's consent, withdraw that statement and extend or revise the Offer (as appropriate) provided that it complies with the

requirements of the Code and, in particular, that:

- (i) it announces such withdrawal and that it is free to extend or revise the Offer (as appropriate) as soon as possible (and in any event within four Business Days of the firm announcement of the competing offer or other competitive situation) and HBH Shareholders are informed in writing at the earliest practicable opportunity or, in the case of HBH Shareholders with registered addresses outside the UK or whom Astaire knows to be a nominee, trustee or custodian holding HBH Shares for such persons, by announcement in the UK; and
 - (ii) any HBH Shareholders who accepted the Offer after the date of the “no extension” or “no increase” statement are given a right of withdrawal in accordance with paragraph 3(c) of this Part B. Astaire may, if it has reserved the right to do so, choose not to be bound by a “no increase” or a “no extension” statement if it would otherwise prevent the posting of an increased or improved offer (either as to the value or nature of the consideration offered or otherwise) which is recommended for acceptance by the HBH Board or in other circumstances permitted by the Panel.
- (e) If HBH makes an announcement of the kind referred to in Rule 31.9 of the Code after the date falling 39 days after the posting of the Offer Document (or such other date as the Panel may determine shall be relevant for the purpose of Rule 31.9) after a ‘no extension’ and/or ‘no increase’ statement has been made by Astaire in respect of the Offer, Astaire may, with the consent of the Panel and if it reserves the right to do so in such circumstances at the time such statement was made, choose not to be bound by that statement and so be free to extend and/or revise the Offer, provided that an announcement of that fact is made as soon as possible and in any event within four Business Days after such announcement by HBH and, at the earliest opportunity thereafter, HBH Shareholders are informed of that fact in writing or, in the cases of HBH Shareholders with registered addresses outside the United Kingdom, or whom Astaire knows to be a trustee, nominee or custodian holding HBH Shares for such purposes, by announcement in the United Kingdom.
- (f) For the purpose of determining at any particular time whether the acceptance condition has been satisfied, Astaire shall be entitled to take account only those HBH Shares carrying voting rights which have been unconditionally allotted or issued before that time and written notice of allotment or issue of which, containing all the relevant details, has been received before that time by Share Registrars from HBH or its agents at the address specified in paragraph 3(a) of this Part B. E-mail or facsimile transmission will not be sufficient.

2. Announcements

- (a) By 8.00 a.m. on the Business Day (the “relevant day”) following the day on which the Offer is due to expire or becomes unconditional or is revised or extended, as the case may be (or such later time(s) or date(s) as the Panel may agree), Astaire will make an appropriate announcement and simultaneously inform a Regulatory Information Service of the position. The announcement will also state (unless otherwise permitted by the Panel) the total number of HBH Shares and rights over HBH Shares (as nearly as practicable):
- (i) for which acceptances of the Offer have been received;
 - (ii) acquired or agreed to be acquired by or on behalf of Astaire or any person acting in concert with it during the course of the Offer Period;
 - (iii) held by or on behalf of Astaire or any person acting in concert with it before the Offer Period; and
 - (iv) for which acceptances of the Offer have been received from any person acting in concert with Astaire, and will specify the percentage of the HBH Shares represented by each of these figures.

In computing the number of HBH Shares represented by acceptances and/or purchases, there may be included or excluded for announcement purposes acceptances and/or purchases which are not complete in all respects or which are subject to verification, save that acceptances or purchases will not be included in the totals of such an announcement (unless the Panel otherwise agrees) unless they could be counted, in accordance with paragraph below and the provisions of the Code, towards satisfying the acceptance condition.

Any decision to extend the time and/or the date by which the acceptance condition has been fulfilled or to which the Offer is extended may be made at any time up to, and will be announced not later than 8.00 a.m. (London time) on the relevant day or such time(s) and/or date(s) as the Panel may agree. The announcement will state the next expiry time and/or the date unless the Offer is then unconditional, in which case a statement may instead be made that the Offer will remain open until further notice.

- (c) In this Appendix I, references to the making of an announcement or the giving of notice by or on behalf of Astaire include the release of an announcement by public relations consultants or by Astaire Securities to the press and the delivery by hand or telephone or facsimile or other electronic transmission of an announcement to a Regulatory Information Service. An announcement made otherwise than to a Regulatory Information Service shall be notified simultaneously to a Regulatory Information Service (unless otherwise agreed by the Panel).

3. Rights of withdrawal

- (a) If Astaire, having announced the Offer to be unconditional, fails to comply by 3.30 p.m. on the relevant day (as defined in paragraph 2(a) of this Part B) (or such later time(s) and/or date(s) as the Panel may agree) with any of the other requirements specified in paragraph 2(a) of this Part B, an accepting HBH Shareholder may (unless the Panel agrees otherwise) immediately thereafter withdraw his acceptance of the Offer by written notice received by hand or by post by Share Registrars, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey, GU9 7LL. If any such confirmation is given, the first period of 14 days referred to in paragraph 1(c) of this Part B will run from the date of such confirmation and compliance.
- (b) If by 1.00 p.m. on the date falling 42 days after the publication of the Offer Document (or such later time(s) and/or date(s) as the Panel may agree) the Offer has not become unconditional, an accepting HBH Shareholder may withdraw his acceptance at any time thereafter by written notice in the manner referred to in paragraph 3(a) of this Part B before the earlier of (i) the time when the Offer becomes unconditional, and (ii) the final time for lodgement of acceptances of the Offer which can be taken into account in accordance with paragraph 1(b) of this Part B.
- (c) If a “no extension” statement and/or a “no increase” statement has been withdrawn in accordance with paragraph 1(d) of this Part B, any HBH Shareholder who accepted the Offer after the date of the statement may withdraw his acceptance in the manner referred to in paragraph 3(a) of this Part B not later than the eighth day after the date on which written notice of withdrawal of the statement is posted to HBH Shareholders.
- (d) Except as provided by this paragraph 3, acceptances under the Offer shall be irrevocable. In this paragraph 3, “written notice” (including any letter of appointment, direction or authority) means notice in writing bearing the original signature(s) of the relevant accepting HBH Shareholder(s) or his/their agent(s) duly appointed in writing (evidence of whose appointment is produced with the written notice in a form reasonably satisfactory to Astaire). E-mail or facsimile transmissions or copies will not be sufficient to constitute written notice. No notice which is postmarked in, or otherwise appears to Astaire or its agents to have been sent from, a Prohibited Jurisdiction will be treated as valid.

4. Revised offer

- (a) No revision of the Offer is envisaged. However, if the Offer (in its original or any previously revised form(s)) is revised (either in its terms and conditions or in the value or nature of the consideration offered or otherwise) and such revision represents on the date on which it is announced (on such basis as Astaire Securities may consider appropriate) an improvement or no diminution in the value of the revised Offer compared with the consideration or terms previously offered or in the overall value received and/or retained by a HBH Shareholder (under the Offer or otherwise), the benefit of the revised Offer will, subject to paragraphs 4(c), and 4(d) of this Part B, be made available to any HBH Shareholder who has accepted the Offer in its original or any previously revised form(s) (a “previous acceptor”). The acceptance of the Offer by or on behalf of a previous acceptor in its original or any previously revised form(s) shall, subject as provided in paragraphs 4(c) and 4(d) of this Part B, be treated as an acceptance of the Offer as so revised and shall also constitute the separate appointment of Astaire and each of the Astaire Directors and Astaire Securities and each of their directors as his attorney and/or agent with authority (i) to accept any such revised offer on behalf of such previous acceptor, (ii) if such revised offer includes alternative forms of consideration, to make

such elections for and/or accept such alternative forms of consideration in the proportions such attorney and/or agent in his absolute discretion thinks fit, and (iii) to execute on behalf of and in the name of such previous acceptor all such further documents (if any) as may be required to give effect to such acceptances and/or elections.

In making any such election and/or acceptance, such attorney and/or agent shall take into account the nature of any previous acceptances made by or on behalf of the previous acceptor and such other facts or matters as he may reasonably consider relevant.

- (b) Subject to paragraphs 3(c) and 4(d) of this Part B, the powers of attorney and authorities conferred by this paragraph 4 and any acceptance of a revised Offer and/or any election(s) pursuant thereto shall be irrevocable unless and until the previous acceptor becomes entitled to withdraw his acceptance under paragraph 3 of this Part B and duly and validly does so.
- (c) The deemed acceptance referred to in paragraph 4(a) of this Part B shall not apply, and the authorities conferred by that paragraph shall not be exercised, to the extent that a previous acceptor lodges with Share Registrars, within 14 days of the posting of the document containing the revised Offer, a Form of Acceptance in which he validly elects to receive the consideration receivable by him under such revised Offer in some other manner than that set out in his original or any previous acceptance; or

The deemed acceptance referred to in paragraph 4(a) of this Part B shall not apply, and the authorities conferred by that paragraph shall not be exercised, if as a result thereof, the previous acceptor would (on such basis as Astaire may consider appropriate) thereby receive less in aggregate in consideration under the revised Offer than he would have received in aggregate as a result of acceptance of the Offer in the form in which it was previously accepted by him or on his behalf. The authorities conferred by paragraph 4(a) of this Part B shall not be exercised in respect of any election available under the revised Offer save in accordance with this paragraph.

Subject to paragraphs 4(c) and (d) of this Part B, Astaire reserves the right to treat an executed Form of Acceptance (in respect of the Offer in its original or any previously revised form(s)) which is received (or dated) on or after the announcement of any revised Offer as a valid acceptance of the revised Offer and/or, where applicable, a valid election for or acceptance of any of the alternative forms of consideration. Such acceptances shall constitute an authority in the terms of paragraph 4(a) of this Part B, *mutatis mutandis*, on behalf of the relevant HBH Shareholder.

5. Acceptances and Purchases

Notwithstanding, but without prejudice to, the right reserved by Astaire to treat a Form of Acceptance as valid even though not entirely in order or, in the case of HBH Shares held in certificated form, not accompanied by the relevant share certificate(s) and/or other documents of title, except as otherwise agreed by the Panel:

- (a) an acceptance of the Offer shall not be treated as valid for the purposes of the acceptance condition unless the requirements of Note 4 and, if applicable, Note 6 of Rule 10 of the Code are satisfied in respect of it;
- (b) a purchase of HBH Shares by Astaire or its nominee(s) or, in the case of a Rule 9 offer, any person acting in concert with Astaire or its nominee will only be treated as valid for the purposes of the acceptance condition if the requirements of Note 5 and, if applicable, Note 6 of Rule 10 of the Code are satisfied in respect of it; and
- (c) before the Offer may become unconditional, Share Registrars must have issued a certificate to Astaire which states the number of HBH Shares in respect of which acceptances have been received and which comply with paragraph 5(a) of this Part B, and the number of HBH Shares otherwise acquired, whether before or during the Offer Period, which comply with paragraph 5(b) of this Part B. Copies of the certificate will be sent to the Panel and to the financial advisers of HBH as soon as possible after issue.

6. General

- (a) Except as specifically provided in Part A of this Appendix I or with the Panel's consent, the Offer will lapse unless all of the conditions have been satisfied or (if capable of waiver) waived or, where appropriate, have been determined by Astaire in its reasonable opinion to be or remain satisfied in each case by midnight on the date falling 60 days after the posting of the

Offer Document or by midnight on the date which is 21 days after the date on which the Offer becomes unconditional, whichever is the later, or such later date(s) as Astaire may, with the Panel's consent, decide. If the Offer lapses for any reason, then it shall cease to be capable of further acceptance and Astaire and HBH Shareholders shall cease to be bound by prior acceptances.

- (b) Except with the Panel's consent, settlement of the consideration to which any HBH Shareholder is entitled under the Offer will be implemented in full in accordance with the terms of the Offer without regard to any lien, right of set-off, counterclaim or other analogous right to which Astaire may otherwise be, or claim to be, entitled as against such HBH Shareholder.
- (c)
 - (i) The Offer, all acceptances of it and all elections pursuant to it, the Form of Acceptance, all contracts made pursuant to the Offer, all action taken or made or deemed to be taken or made pursuant to any of these terms and the relationship between a HBH Shareholder and Astaire, Astaire Securities or Share Registrars shall be governed by and interpreted in accordance with English law.
 - (ii) Execution of a Form of Acceptance by or on behalf of a HBH Shareholder will constitute his agreement that the Courts of England are (subject to paragraph 6(e)(iii) of this Part B) to have exclusive jurisdiction to settle any dispute which may arise in connection with the creation, validity, effect, interpretation or performance of, or the legal relationships established by the Offer and the Form of Acceptance or otherwise arising in connection with the Offer and the Form of Acceptance, and for such purposes that he irrevocably submits to the jurisdiction of the English Courts.
 - (iii) Execution of a Form of Acceptance by or on behalf of an accepting HBH Shareholder will constitute his agreement that the agreement in paragraph 6(e)(ii) of this Part B is included for the benefit of Astaire, Astaire Securities and Share Registrars and accordingly, notwithstanding the exclusive agreement in paragraph 6(e)(ii) of this Part B, Astaire, Astaire Securities and Share Registrars shall each retain the right to, and may in its absolute discretion, bring proceedings in the courts of any other country which may have jurisdiction and that the accepting HBH Shareholder irrevocably submits to the jurisdiction of the courts of any such country.
- (d) If the expiry date of the Offer is extended, any reference in this Announcement, the Offer Document and in the Form of Acceptance to the date falling 21 days after the posting of the Offer Document shall, except in the definition of "Offer Period" and paragraph 1(a) of this Part B and where the context otherwise requires, be deemed to refer to the expiry date of the Offer as so extended.
- (e) Any omission to despatch the Offer Document or the Form of Acceptance or any notice required to be despatched under the terms of the Offer to, or any failure to receive the same by, any person to whom the Offer is made, or should be made, shall not invalidate the Offer in any way or create any implication that the Offer has not been made to any such person. The Offer extends to any such person and to all HBH Shareholders to whom this document, the Form of Acceptance and any related documents may not be despatched and who may not receive such documents, and such persons may collect copies of those documents from Share Registrars at the address set out in paragraph 3(a) of this Part B.
- (f) If the Offer lapses, Forms of Acceptance, share certificates and/or other documents of title will be returned by post (or by such other method as the Panel may approve) within 14 days of the Offer lapsing, at the risk of the HBH Shareholder concerned, to the person or agent whose name and address is set out in the relevant Box of the Form of Acceptance or, if none is set out, to the first-named holder at his registered address (no such documents will be sent to an address in a Prohibited Jurisdiction).
- (g) All powers of attorney, appointments as agent and authorities on the terms conferred by or referred to in this Appendix I or in the Form of Acceptance are given by way of security for the performance of the obligations of the HBH Shareholder concerned and are irrevocable (in respect of powers of attorney in accordance with section 4 of the Powers of Attorney Act 1971) except in the circumstances where the donor of such power of attorney, appointment or authority is entitled to withdraw his acceptance in accordance with paragraph 3 of this Part B and duly does so.
- (h) Without prejudice to any other provisions of this Part B, Astaire reserves the right to treat

acceptances of the Offer as valid if received by or on behalf of either of them at any place or places or in any manner determined by either of them or otherwise than as set out in this document or in the Form of Acceptance.

- (i) All communications, notices, certificates, documents of title and remittances to be delivered by or sent to or from any HBH Shareholders will be delivered by or sent to or from them (or their designated agents) at their risk. No acknowledgement of receipt of any Form of Acceptance, communication, notice, share certificate(s) and/or other document(s) of title will be given by or on behalf of Astaire.
- (j) Astaire reserves the right to notify any matter (including the making of the Offer) to all or any HBH Shareholder(s) with (i) registered addresses outside the UK or (ii) whom Astaire knows to be nominees, trustees or custodians for such HBH Shareholder(s) with registered addresses outside the UK by announcement or paid advertisement in any daily newspaper published and circulated in the UK or any part thereof, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any such shareholders to receive or see such notice. All references in this document to notice in writing (other than in paragraph 3 of this Part B) shall be construed accordingly.
- (k) If sufficient acceptances are received and/or sufficient HBH Shares are otherwise acquired, Astaire intends to apply the provisions of sections 979 to 982 of the Companies Act to acquire compulsorily any outstanding HBH Shares.
- (l) If the Panel requires Astaire to make an offer for HBH Shares under the provisions of Rule 9 of the Code, Astaire may make such alterations to the conditions of the Offer as are necessary to comply with the provisions of that Rule.
- (m) All references in this Appendix I to any statute or statutory provision shall include a statute or statutory provision which amends, consolidates or replaces the same (whether before or after the date of this document).
- (n) The provisions of the Contracts (Rights of Third Parties) Act 1999 shall not apply to this document, the Form of Acceptance or any contract made pursuant to the Offer.

APPENDIX II

Bases and Sources

In this Announcement, unless otherwise stated or the context otherwise requires, the following bases and sources have been used:

1. General

Financial information relating to HBH has been extracted from the relevant published annual report and accounts of HBH.

2. Value of the Offer

The Offer values the entire issued share capital of HBH at £3,612,500, on the basis of 0.9403p in cash and 2.4566p in Convertible Loan Notes, based upon the fair value price of the Convertible Loan Notes having regard to Fairfax's independently assessed commercial valuation, for every HBH Share.

At the nominal value of the Convertible Loan Notes, the Offer would be valued at £5,750,000 on the basis of 0.9403p in cash and 4.4665p in Convertible Loan Notes for every HBH Share

3. Time

All the times referred to in this announcement are London times.

APPENDIX III

DEFINITIONS

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

“Acquisition”	the proposal by which Astaire will acquire the entire issued and to be issued ordinary share capital of HBH, to be effected by means of the Offer;
“AIM”	the AIM Market of the London Stock Exchange;
“Announcement”	the announcement made in connection with the Offer pursuant to Rule 2.5 of the Code;
“Astaire & Partners”	Astaire & Partners Limited;
“Astaire Securities”	Astaire Securities PLC;
“Astaire” or, the “Company”	Astaire Group PLC;
“Astaire Directors” or “Astaire Board” or “Board of Astaire”	the directors of Astaire as at the date of this Announcement;
“Astaire Group”	Astaire and its subsidiaries and/or (where the context requires) any one or more of them (excluding, for the avoidance of doubt, HBH);
“Astaire Shares”	fully paid ordinary shares of 0.1p each in the capital of Astaire;
“Astaire Shareholder”	a holder of Astaire Shares;
“Board of Evolve”	the directors of Evolve as at the date of this Announcement;
“Business Day”	a day on which the London Stock Exchange is open for the transaction of business;
“City Code” or “Code”	The City Code on Takeovers and Mergers;
“Closing Price”	the closing middle market quotation of a share as derived from the AIM appendix of the Daily Official List of the London Stock Exchange;
“Companies Act”	the Companies Act 2006, as amended;
“Consideration”	0.9403 pence in cash and 4.4665 pence in nominal value Convertible Loan Notes, being the consideration payable per HBH Share pursuant to the Offer;
“Convertible Loan Notes”	the £4.75 million nominal value convertible loan notes being issued as part consideration pursuant to the Offer;
“Enlarged Group”	the Astaire Group following completion of the Offer;
“Enlarged Share Capital”	the issued share capital of Astaire following completion of the Offer;
“Evolve”	Evolve Capital PLC, a company incorporated in England under registration number 06383902, which as at the date of this Announcement owns 53.6 per cent. of the issued share capital of Astaire;
“Fairfax”	Fairfax I.S. PLC, financial adviser to Astaire;

“First Closing Date”	the date falling 21 days after publication of the Offer Document;
“Form of Acceptance”	the form of acceptance relating to the Offer that will accompany the Offer Document;
“FSA”	the Financial Services Authority;
“FSMA”	the Financial Services and Markets Act 2000;
“HB”	Hoodless Brennan Plc, a wholly owned subsidiary of HBH which proposes to change its name to HB Markets Plc;
“HBH”	Hoodless Brennan Holdings Plc;
“HBH Directors” or “HBH Board” or the “Board of HBH”	the directors of HBH as at the date of this Announcement;
“HBH Group”	HBH and its subsidiary undertakings and/or (where the context requires) any one or more of them;
“HBH Optionholder”	a holder of options under the HBH Option Schemes;
“HBH Option Offer”	the offer to HBH Optionholders to be made by Astaire on equivalent terms to the Offer in accordance with Rule 15 of the Code;
“HBH Option Schemes”	the Hoodless Brennan Sharesave Plan and the HBBC plc Approved and Unapproved Share Option Plans;
“HBH Shares”	the existing unconditionally allotted or issued and fully paid ordinary shares of 0.1 pence each in the capital of HBH and any further shares which may be issued or unconditionally allotted and issued by HBH, prior to the time and date on which the Offer closes or by such earlier date and time as Astaire may decide (subject to compliance with the City Code);
“HBH Shareholder”	a holder of HBH Shares;
“London Stock Exchange”	London Stock Exchange PLC;
“MiFID”	Markets in Financial Instruments Directive;
“Offer”	the offer to be made by Astaire Securities on behalf of Astaire for the HBH Shares, in accordance with the City Code, on the terms and subject to the conditions set out in this Announcement, the Offer Document and the Form of Acceptance including, where the context so requires, any subsequent revision, variation, extension or renewal of such offer;
“Offer Document”	the document to be sent to HBH Shareholders by Astaire Group containing the Offer;
“Offer Period”	the period commencing 10 February 2010 until whichever of the following shall be the latest: (i) 1.00 p.m. on the First Closing Date; (ii) the date on which the Offer lapses; or (iii) the date on which the Offer becomes or is declared unconditional as to acceptances;
“Offer Price”	5.4068 pence per HBH Share, to be satisfied partly in cash and partly by the issue of the Convertible Loan Notes, as set out in this Announcement;

“Panel” or “Takeover Panel”	The Panel on Takeovers and Mergers;
“PLUS Markets”	the markets operated by PLUS Markets Group PLC;
“Prohibited Jurisdiction”	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information is sent or made available to HBH Shareholders in that jurisdiction including (but not limited to) the United States of America, Canada, Australia, the Republic of South Africa and Japan;
“Regulatory Information Service”	any of the services set out in Appendix 3 to the Listing Rules of the UKLA;
“Ruegg”	Ruegg & Co Limited;
“Rowan Dartington”	Rowan Dartington & Company Limited;
“Smith & Williamson”	Smith & Williamson Corporate Finance Limited; and
“UKLA”	The UK Listing Authority, being the FSA acting in its capacity as the competent authority for the purposes of Part IV FSMA.